

# CITY COUNCIL PROCEEDINGS

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## MINUTES OF THE MEETING OF THE CITY COUNCIL

Wichita, Kansas, December 18, 2001  
Tuesday, 9:07 A.M.

The City Council met in regular session with Mayor Knight in the Chair. Council Members Brewer, Fearey, Gale, Lambke, Pisciotte, present. Council Member Martz absent.

Chris Cherches, City Manager; Gary Rebenstorf, Director of Law; Pat Burnett, City Clerk; present.

Rev. Thomas Olmsted, Bishop, Catholic Chancery Office, gave the invocation.

The pledge of allegiance to the flag was participated in by the Council Members, staff, and guests.

Minutes -- approved      The Minutes of the regular meeting of December 11, 2001, were approved 6 to 0. (Martz absent)

## AWARDS AND PRESENTATIONS

YOUTH SERVICE      Wichita's Promise – Youth Community Service Awards were presented.

AWARDS      Lattner Foundation Award was presented.

The National Initiative Award for “Building Bridges,” a community process to heal racism, was presented.

## NEW BUSINESS

CESSNA      LETTER OF INTENT FOR INDUSTRIAL REVENUE BONDS – CESSNA CITATION SERVICE CENTER PROJECT. (District V)

Allen Bell      Financial Projects Director reviewed the Item.

Agenda Report No. 01-1425.

Cessna Aircraft Company has approached the City for assistance with the development of a new aircraft service center which Cessna proposes to construct on Wichita Mid-Continent Airport property adjacent to the Cessna Wallace Plant on Hoover Road near Highway K-42 in southwest Wichita. Based on the magnitude of the proposed expansion of project, the City has worked with Sedgwick County, the State of Kansas, Representative Todd Tiahrt and the Federal Aviation Authority to craft the proposed incentive package described below. In consideration of the proposed incentive package, pending approvals by the governmental entities responsible for each component, Cessna has announced the selection of the Mid-Continent Airport site for the location of the new Citation Service Center.

Cessna proposes to construct a 450,000 square foot service center on 150 acres of airport land located on Hoover Road north of K-42 highway at a cost of approximately \$60 million for the building only. In addition to the building costs, which will be born entirely by Cessna, the City and County have offered (subject to approvals by the governing bodies) to fund one-half of the cost of site work needed to prepare the site for construction and to provide access roads, parking and landscaping. The City, County and State have offered to widen Hoover Road from south of 31st Street South to Harry Street in order to accommodate the increase in employee and customer traffic. The City has worked with U.S.

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Representative Todd Tiaht and the FAA to secure funding approval for the construction of a new parallel taxiway on the east side of Runway 19 Left at Mid-Continent Airport. The total cost of the entire project is estimated at over \$100 million. The project components and funding by each partner in the incentive package are set forth in the Summary of Proposed Funding Sources.

The new Citation Service Center will replace an existing facility located within the Cessna Wallace Plant campus. The existing service center 300 employees will be moved to the new facility and an additional 500 new employees will be added for a total workforce of 800 at the new center. The former Citation Service Center facility will then be converted to an aircraft completion facility for Cessna's newest aircraft, the Sovereign, which will employ an additional 300 employees. Total new employment at Cessna resulting from this expansion program is estimated to be 800 new jobs overall.

The 450,000 square foot Citation Service Center in Wichita will be the flagship service center in a network that includes service centers in San Antonio, Texas; Sacramento, California; Orlando, Florida; and Paris, France. Because of its proximity to the corporate headquarters, it is expected that the Wichita facility will service a majority of the hundreds of Cessna Citation jets currently in service. It is estimated that the Wichita Center will average 75 to 80 aircraft per day at the Service Center for maintenance, repair, retrofits and upgrades. Between 175 and 200 visitors to Wichita, including Citation owners and flight crew, will be staying in Wichita at any given time for an average stay of 5-7 days.

The City commissioned an economic impact study of the proposed expansion project on the state and local economies. Based on multipliers, it was estimated that the project will add nearly 2,500 new jobs to the state economy, including over 2,000 in the Wichita region. This translates into new income and earnings for Kansans of \$69 million per year and \$56 million into the Wichita economy. It was estimated that the State of Kansas will realize over \$50 million in direct revenue over 10 years as a result of the project.

The City's share of the incentive package will be financed by a combination of airport funding, primarily for site improvement costs and matching funds for taxiway improvements, and funding provided in the adopted CIP, primarily for Hoover Road expansion and part of site costs.

The construction costs of the Citation Service Center building will be financed by Cessna by means of Airport Special Facilities Revenue Bonds, issued by the Wichita Airport Authority. The City Council may, in its dual capacity as governing body of the City and of the Wichita Airport Authority, approve a letter of intent for the issuance of such bonds, which letter of intent also serves to document the incentives offered by the City as set forth in this report.

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion --

Knight moved that the incentive package for the Cessna Citation Service Center and Letter of Intent for the issuance of Airport Special Facilities Revenue Bonds in the amount of approximately \$60 million be approved, and the Mayor be authorized to sign. Motion carried 6 to 0. (Martz absent)

-- carried

## **OLD TOWN CENTER LETTER OF INTENT FOR INDUSTRIAL REVENUE BONDS – OLD TOWN CENTER, LLC.** (District VI)

Allen Bell

Financial Projects Director reviewed the Item.

Agenda Report No. 01-1426.

On August 5, 1997, City Council approved the issuance of Industrial Revenue Bonds in the amount of \$2.5 million to Old Town Center, L.L.C. Bond proceeds were used to finance the purchase and renovation of property in the Old Town District, located at 800 East First. No property tax exemption was requested. In October, 1999, City Council approved issuance of additional Industrial Revenue Bonds in an amount not-to-exceed \$485,000, for the purpose of completing planned renovations to the

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property financed by the Series VII A&B 1997 Bonds. Old Town Center, L.L.C., wishes to refinance its outstanding bonds and is requesting City Council approval of a Letter of Intent to issue Industrial Revenue Refunding Bonds in an approximate amount of \$2,850,000.

Old Town Center, L.L.C. was formed by Michael Relihan, owner of Chapman Securities for the purpose of acquiring and renovating the building, formerly referred to as the Maasco Building. Previous bonds issued by the City of Wichita was for the primary purpose of renovating the building into a general office and retail property. The building is a four-story structure with 8,800 s.f. of leasable space on each floor and 8,500 s.f. available in the basement.

Bond proceeds will be used to refinance currently existing debt and pay costs of issuance.

An analysis of the uses of funds for the project is:

## USE OF BOND PROCEEDS

Redemption of Outstanding Bonds	\$2,601,150
Underwriting, Legal Costs of Issuance	85,000
Bond Reserve	40,000
Final Construction Costs, misc.	<u>123,850</u>
Total cost of Refinancing Project	\$2,585,000

Chapman Securities, Inc. has agreed to underwrite the refunding bonds. The firm of Hinkle Elkouri, L.L.C., will serve as bond counsel for the project. Old Town Center is in compliance with the Standard Conditions contained in the City's IRB Policy.

Old Town Center, L.L.C. agrees to pay all costs of issuing the bonds and agrees to pay the City's \$2,500 annual IRB administrative fee for the term of the bonds. Old Town Center, L.L.C. does not request tax exemption in conjunction with the IRBs.

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion --

Fearey moved that a Letter on Intent for Industrial Revenue Refunding Bonds to Old Town Center, L.L.C. in an amount of approximately \$2,850,000 be approved, subject to the Standard Letter of Intent Conditions. Motion carried 6 to 0. (Martz absent)

-- carried

## **FLIGHT SAFETY INT. LETTER OF INTENT FOR INDUSTRIAL REVENUE BONDS – FLIGHTSAFETY INTERNATIONAL.** (District V)

Allen Bell

Financial Projects Director reviewed the Item.

Agenda Report No 01-1427.

In May of 1991, the City Council approved the issuance of \$11,170,000 million for Industrial Revenue Bonds to FlightSafety International for the construction of a building addition to their existing facilities and the purchase of additional machinery. FlightSafety was also granted 100 percent tax abatement on the bond issue, for a five-year period plus a second five-year period based on Council review. On September 29, 1998, City Council approved issuance of a Letter of Intent in an amount not-to-exceed \$17 million for Industrial Revenue Bonds to FlightSafety International, and issued \$26,170,000 for Adjustable Mode Airport Facility Refunding and Improvement Revenue Bonds in March 1999. The bonds were used to construct a building addition and purchase seven new flight simulators for use in FlightSafety Training Centers located at 1851 Airport Road (Cessna Citation Facility) and Two Learjet Way (Learjet Facility).

FlightSafety International (FlightSafety) is now requesting the issuance of a Letter of Intent for Industrial Revenue Bonds in an amount not to exceed \$32,500,000. The bond proceeds will be used to acquire and install additional flight simulators and related equipment at the FlightSafety International

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Training Center located at 1851-1951 Airport Road. In addition, FlightSafety requests City Council approval of a five-plus-five 100 percent ad valorem tax abatement.

FlightSafety International, Inc. was organized in 1951, and purchased by Berkshire Hathaway Inc., in December 1996. FlightSafety provides training for operators of aircraft and ships. Training activities include advanced training of pilots, air traffic control procedures and new aviation developments. Training is provided both in the private (Cessna, Learjet, Raytheon) and public sectors (U.S. Air Force and U.S. Navy). In addition to aircraft training, FlightSafety provides necessary training to allow pilots to obtain licenses for operation of large oceangoing vessels. FlightSafety also offers maintenance training for certain aircraft.

FlightSafety plans to add 44 new jobs for the Wichita Area Facilities. Additional jobs will be divided between the Cessna and Learjet Training Facilities. In 1997, FlightSafety's pilot training program brought 11,514 pilots to Wichita, for an average two-week training program. This results in an estimated 75,000 hotel room nights.

Proceeds from the requested bonds will be used to finance the cost of purchasing and installing new simulators and flight training devices. The acquisition of new training equipment and training capability is expected to accommodate growth in sales and new products for both Cessna and Learjet. An analysis of the sources and uses of project funds is:

## SOURCES OF FUNDS

*Industrial Revenue Bond Proceeds	\$32,500,000
*Airport Facility Revenue Bonds	<u>2,500,000</u>
Total Project Funding:	\$35,000,000

## USES OF FUNDS

Simulator #1	\$ 5,500,000
Simulator #2	5,500,000
Simulator #3	5,300,000
Simulator #4	6,000,000
Simulator #5	6,200,000
Related Equipment	<u>4,000,000</u>
Total Cost of Project:	\$35,000,000

The firm of Hinkle Elkouri, L.L.C. will serve as bond counsel in the transaction. The bonds will be will be privately placed with an institutional investor and not publicly reoffered. The bonds will be guaranteed by FlightSafety's parent firm, Berkshire Hathaway, Inc.

Wichita State University Center for Economic Development and Business Research calculated a cost-benefit analysis indicating benefit-to-cost ratios, which are as follow:

City of Wichita	2.41 to one
Sedgwick County	1.88 to one
USD 259	2.43 to one
State of Kansas	2.94 to one

FlightSafety agrees to pay all costs of issuing the bonds and agrees to pay the City's \$2,500 annual IRB administrative fee for the term of the bonds. FlightSafety is requesting a 100 percent tax abatement of ad valorem property taxes on the project for a five-plus-five year period in accordance with City Policy. Under City's Business Incentive Policy, FlightSafety qualifies for a 100 percent tax abatement based on capital investment, new employment and export sales. During the 5-year period of the recommended property tax abatement, FlightSafety will continue to pay taxes on the current facility.

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

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Motion --

Knight moved that the public hearing be closed and a six-month Letter of Intent to FlightSafety International for issuance of Industrial Revenue Bonds in an amount not-to-exceed \$32,500,000 be approved, and a five-plus-five year 100% tax abatement on all bond-financed property be granted, subject to Standard Letter of Intent conditions; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

-- carried

**WEAVER MFG.**

**TAX EXEMPTION REQUEST – WEAVER MANUFACTURING, INC.** (District I)

Allen Bell

Financial Projects Director reviewed the Item.

Agenda Report No. 01-1428.

On December 19, 2000, City Council approved a five-plus-five year 100% Economic Development Tax Exemption to Weaver Manufacturing, Inc. for an expansion project that resulted in constructing additional manufacturing space and purchasing new equipment. Weaver Manufacturing, Inc., located at 1005 E 17th in northeast Wichita, was locally formed in 1942. Weaver is a machine shop supporting Wichita's aircraft industry and over the years has experienced growth in sales and production. In response to an increase in production requirements, Weaver expanded their existing facility to include acquisition of new manufacturing equipment in the amount of \$678,710. The company is now requesting approval of an Economic Development Tax Exemption on additional new equipment in conjunction with the expansion project.

Weaver Manufacturing, Inc. manufactures precision component aircraft parts in support of Wichita's major aircraft manufacturers. Weaver specializes in engine attachment rings for aircraft, which are the rings that hold the jet engines onto a plane's wing. Weaver also manufactures structural component parts such as floor beams and seat tracks. Weaver utilizes precise equipment to machine component parts up to 80" to 125" in length. By using the latest in computer technology, the company has built a reputation for producing high quality, close tolerance machined parts as well as tooling and prototype work.

Weaver's expansion project will result in the purchase of new manufacturing equipment. The acquisition of new equipment will be purchased by a 60%-owned affiliate, TDR, Ltd, and leased to Weaver Manufacturing, Inc. by such affiliate.

Staff conducted a site-monitoring visit on October 25, 2001, and as a result of the 2000 expansion Weaver had increased employment by 9 employees and was in compliance with all the terms and conditions under which the City granted the exemption. Weaver currently employs 58 employees and projects to add an additional 5 new jobs over the next five years by expanding operations through acquisition of new manufacturing equipment. Weaver exports 96% of all production out of Kansas via Boeing, B.F. Goodrich and Nordam.

The Weaver Manufacturing Inc./TDR, Ltd's, expansion project is itemized in Exhibit I. Under the City's Business Incentives Policy, Weaver Manufacturing Inc. and TDR, Ltd. are eligible for the following:

## TAX EXEMPTION ELIGIBILITY

<u>ELIGIBLE %</u>	<u>INCENTIVE</u>	<u>EXPLANATION</u>
15.00%	New Job Creation:	Weaver Manufacturing Inc. will create 8 new jobs.
<u>11.75%</u>	Capital Improvements:	Weaver Manufacturing Inc. invested \$678,710.
26.75%	Sub Total Business - Incentive Eligibility (Maximum allowed is 50%)	
48.0%	Export Premium:	Weaver exports 96% of its product outside Kansas.
48.0%	Sub Total – Export Premium (Maximum allowed is 50%)	
<u>20.0%</u>	Location Premium:	Weaver is located in the central redevelopment area (add 20% allowed)

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## 100% TOTAL EXEMPTION ALLOWED UNDER BUSINESS INCENTIVE POLICY

Under the City's Business Incentives Policy, Weaver and TDR, Ltd are eligible for 94.75% tax exemption for a five-year term on the identified personal property. A notice of public hearing has been published. Weaver has agreed to comply with the conditions set forth in the Business Incentive Policy.

The estimated first year taxes on the proposed \$678,710 expansion would be \$14,828, on personal property, based on the 2001 mill levy. Using the allowable tax exemption of 94.75 percent, the City would be exempting (for the first year) \$14,828 of new taxes from the personal property tax rolls. The tax exemption would be shared among the taxing entities as follows: City – \$4,321; County/State - \$4,147; and USD 259 - \$6,360.

Wichita State University Center for Economic Development and Business Research calculated a cost-benefit analysis indicating benefit-to-cost ratios, which are as follow:

City of Wichita	2.80 to one
Sedgwick County	2.34 to one
USD 259	2.79 to one
State of Kansas	2.83 to one

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion --

Brewer moved that the public hearing be closed, and first reading of the Ordinance granting Weaver Manufacturing, Inc. and TDR, Ltd. a 94.75% tax exemption on the identified personal property for a five-year term be placed on first reading. Motion carried 6 to 0. (Martz absent)

-- carried

### **BENECOR INC.**

#### **TAX EXEMPTION REQUEST – BENECOR, INC.** (District II)

Allen Bell

Financial Projects Director reviewed the Item.

Agenda Report No. 01-1429.

Benecor, Inc., located at 2626 S. Rock Road in southeast Wichita, was locally formed in 1992. Benecor is a manufacturer of laser welded metallic honeycomb core for the aerospace industry. Benecor has experienced rapid growth in sales and production since its inception. As a result of continuous growth in sales, Benecor has expanded its manufacturing capacity by purchasing new manufacturing equipment in the amount of \$1,872,897. Benecor is requesting approval of an Economic Development Tax Exemption on the new manufacturing equipment, in conjunction with the expansion project.

Benecor, Inc. manufactures laser welded metallic honeycomb core. The laser welded metallic honeycomb core is metallic foil welded in a stack, utilizing controlled penetration laser welding, cut to the cell height and expanded to length. Several benefits to honeycomb core is that it is substantially stronger and stiffer for its weight than alternatively available natural, synthetic or other types of composite materials. The honeycomb core can be used in a variety of ways such as used by itself, or bonded inside of "skins" to produce lightweight but strong structures. The structures can be various sizes and shapes. In addition to honeycomb core being used in the aerospace industry, it is used in the transportation industry in the areas of railcar construction, container construction and automotive body panels for "high end" luxury cars. Benecor has an exclusive license to the patents for manufacture of expanded honeycomb core using any laser welding process.

Benecor currently employs 21 persons and plans to add at least 12 new jobs over the next five years by expanding operations through acquisition of new manufacturing equipment. Benecor exports 96% of its business outside of Kansas via Boeing.

Benecor's expansion project is itemized in Exhibit I. Under the City's Business Incentives Policy, Benecor, Inc. is eligible for the following:

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## TAX EXEMPTION ELIGIBILITY

<u>ELIGIBLE %</u>	<u>INCENTIVE</u>	<u>EXPLANATION</u>
25.5%	New Job Creation:	Benecor will create at least 12 new jobs.
24.5%	Capital Improvements:	Benecor will invest at least \$1,872,897.
50.0%		Sub Total Business - Incentive Eligibility (Maximum allowed is 50%)
48.0%	Export Premium:	Benecor exports 96% of its product outside Kansas.
48.0%		Sub Total – Export Premium (Maximum allowed is 50%)
98.0%		TOTAL EXEMPTION ALLOWED UNDER BUSINESS INCENTIVE POLICY

Benecor is eligible for 98% tax exemption for a five-year term on personal property. A notice of public hearing has been published. Benecor has agreed to comply with the conditions set forth in the Business Incentive Policy.

The estimated first year taxes on the proposed \$1,872,897 expansion would be \$42,321 on personal property, based on the 2001 mill levy. Using the allowable tax exemption of 98 percent, the City would be exempting (for the first year) \$42,321 of new taxes from the personal property tax rolls. The tax exemption will be shared among the taxing entities as follows: City - \$12,332 County/State - \$11,836; and USD 259 - \$18,153.

Wichita State University Center for Economic Development and Business Research calculated a cost-benefit analysis indicating benefit-to-cost ratios, which are as follow:

City of Wichita	2.29 to one
Sedgwick County	1.95 to one
USD 260	1.38 to one
State of Kansas	20.20 to one

Mayor Knight Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion -- Pisciotte moved that the public hearing be closed, and the Ordinance granting a 98% tax exemption on the identified personal property improvements for a five year term be placed on first reading. Motion -- carried carried 6 to 0. (Martz absent)

## **EVCON INDUSTRIES TAX EXEMPTION REQUEST – EVCON INDUSTRIES, INC. District IV)**

Allen Bell Financial Projects Director reviewed the Item.

Agenda Report No.01-1430.

Evcon Industries, Inc. located at 3110 N. Mead in northeast Wichita, is the former Heating and Air conditioning division of the Coleman Company, Inc. It has been involved in the heating business since 1934 under the “Coleman” brand name when it developed and began selling a complete line of gas and oil floor furnaces. Evcon Industries, Inc. has expanded its existing facility, which includes construction of additional manufacturing space and the purchase of new equipment. Evcon Industries, Inc. is now requesting approval of a five-plus-five year 100% Economic Development Tax Exemption on additional manufacturing space and new equipment in conjunction with the expansion project.

Evcon Industries, Inc. is a manufacturing operation in the Unitary Products Group (“UPG”) of York International Corporation, a publicly-traded corporation and global manufacturer of products in the heating, ventilating, air conditioning and refrigeration market. In late 2000, UPG decided to rationalize manufacturing operations to reduce unused plant capacities. In that regard, UPG ultimately decided to close its plant in Elyria, Ohio and to relocate to Wichita some of the manufacturing operations that were formerly performed in Elyria. In support of the plant consolidation, Evcon will be constructing new buildings, as well as making improvements to its existing facilities.

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Evcon has continued to manufacture products for the residential HVAC market and invested substantial amounts to modernize and update the Wichita operations. The products that Evcon manufactures are marketed under various brand names, including York, Luxaire, Coleman and Basis. The culmination of these efforts will be the completion of the new 350,000 s.f. manufacturing facility at an estimated cost of \$14,631,131, and the purchase of new equipment at a cost of \$9,019,001. As a result of the expansion, Evcon has committed to hire up to 450 new additional employees.

The expansion project is itemized in Exhibit I. Under the City's Business Incentives Policy, Evcon Industries, Inc. is eligible for the following:

TAX EXEMPTION ELIGIBILITY		
<u>ELIGIBLE %</u>	<u>INCENTIVE</u>	<u>EXPLANATION</u>
100.0%	New Job Creation:	Evcon Industries will create at least 450 new jobs.
<u>100.0%</u>	Capital Improvements:	Evcon Industries will invest at least \$23,650,132.
50.0%	Sub Total Business - Incentive Eligibility (Maximum allowed is 50%)	
50.0%	Export Premium:	Evcon Industries exports 99.5% of its product outside Kansas.
100.0%	Sub Total – Export Premium (Maximum allowed is 50%)	
100.0%	TOTAL EXEMPTION ALLOWED UNDER BUSINESS INCENTIVE POLICY	

Under the City's Business Incentives Policy, Evcon Industries is eligible for 100% tax exemption on new real and personal property for a five-year term and 50% exemption on real property only for a second five-year term, subject to Council review. A notice of public hearing has been published. Evcon Industries has agreed to comply with the conditions set forth in the Business Incentive Policy.

The estimated first year taxes on the proposed \$23,650,132 expansion would be \$393,658 on real property improvements, and \$207,960 on personal property, based on the 2001 mill levy. Using the allowable tax exemption of 100 percent, the City would be exempting (for the first year) \$601,618 of new taxes for the real and personal property tax rolls. The tax exemption will be shared among the taxing entities as follows: City - \$175,300; County/State - \$168,262; and USD 259 - \$258,056.

Wichita State University Center for Economic Development and Business Research calculated a cost-benefit analysis indicating benefit-to-cost ratios, which are as follow:

City of Wichita	2.15 to one
Sedgwick County	1.81 to one
USD 259	2.26 to one
State of Kansas	4.93 to one

Mayor Knight Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion -- Fearey moved that the public hearing be closed, and the Ordinance granting a 100% tax exemption on the identified real and personal property improvements for a five year term, and a 50% exemption on real property only, for a further five-year period be approved, subject to City Council review. Motion carried 6 to 0. (Martz absent)

-- carried

## **PERFEKTA INC. TAX EXEMPTION REQUEST – PERFEKTA, INC. (District VI)**

Allen Bell Financial Projects Director reviewed the Item.

Agenda Report No. 01-1431.

On December 19, 2000, City Council approved a five-plus-five year 100% Economic Development Tax Exemption to Perfekta, Inc. for an expansion project that resulted in acquisition of an existing building and additional new equipment. Perfekta, Inc., located at 480 E. 21st Street in northeast Wichita, was locally formed in 1984. Since inception, Perfekta has sustained consistent growth in manufacturing parts for the aerospace industry. Perfekta has expanded its manufacturing capacity, to include acquisition of new manufacturing equipment in the amount of \$1,086,105. Perfekta is now requesting

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approval of an Economic Development Tax Exemption on acquisition of new manufacturing equipment in conjunction with the expansion project.

Perfekta, Inc. is a custom manufacturer, supplying precision machined and sheet metal parts to global customers of various industries, including companies in Europe, the Pacific Rim, and the Middle East. Sales have been primarily generated through demands in the aerospace industry; however, Perfekta also supplies parts to the medical and non-aerospace commercial markets. Perfekta's customer base has expanded from three local companies to more than 45 customers throughout the United States and worldwide. Perfekta's product mix has expanded from simple 2 & 3 axis machining to more complex multi axis configurations, bending and forming operations, and assemblies. Manufacturing capabilities include CNC milling, turning, prototyping, drilling, honing, welding, conventional milling, and assembling.

Staff conducted a site monitoring visit on October 25, 2001, and as a result of the 2000 expansion Perfekta had increased employment by 34 employees and was in compliance with all the terms and conditions under which the City granted the exemption. Perfekta currently employs 113 employees and projects to add an additional 7 new jobs over the next five years by expanding operations through acquisition of new manufacturing equipment. Perfekta exports 96% of its business outside of the State of Kansas.

The expansion project is itemized in Exhibit I. Under the City's Business Incentives Policy, Perfekta, Inc. is eligible for the following:

TAX EXEMPTION ELIGIBILITY		
<u>ELIGIBLE %</u>	<u>INCENTIVE</u>	<u>EXPLANATION</u>
18.0%	New Job Creation:	Perfekta will create at least 7 new jobs.
17.0%	Capital Improvements:	Perfekta will invest at least \$1,086,105.
35.0%	Sub Total Business - Incentive Eligibility (Maximum allowed is 50%)	
48.0%	Export Premium:	Perfekta exports 96% of its product outside Kansas.
48.0%	Sub Total - Export Premium (Maximum allowed is 50%)	
20.0%	Location Premium:	Perfekta is located in the central redevelopment area. (additional 20% allowed)
100.0%	TOTAL EXEMPTION ALLOWED UNDER BUSINESS INCENTIVE POLICY	

Perfekta, Inc. is eligible for a 100% tax exemption for a five-year term on personal property. A notice of public hearing has been published. Perfekta, Inc. has agreed to comply with the conditions set forth in the 1999 revised Business Incentive Policy.

The estimated first year taxes on the proposed \$1,086,105 expansion would be \$25,043 on personal property, based on the 2001 mill levy. Using the allowable tax exemption of 100 percent, the City would be exempting (for the first year) \$25,043 of new taxes from the personal property tax rolls. The tax exemption will be shared among the taxing entities as follows: City - \$7,297; County/State - \$7,004; and USD 259 - \$10,742.

Wichita State University Center for Economic Development and Business Research calculated a cost-benefit analysis indicating benefit-to-cost ratios, which are as follow:

City of Wichita	2.46 to one
Sedgwick County	1.84 to one
USD 259	1.35 to one
State of Kansas	20.83 to one

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion --

Fearey moved that the public hearing be closed, and the Ordinance, granting a 100% tax exemption on the identified personal property improvements for a five year term be placed on first reading. Motion carried 6 to 0. (Martz absent)

-- carried

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## WATERLINE

### PETITION TO CONSTRUCT A WATERLINE ALONG 127TH STREET EAST, SOUTH OF HARRY. (District II)

Mike Lindebak

City Engineer reviewed the Item.

Agenda Report No. 01-1432.

The signatures on the Petition represent 5 of 19 (26.3%) resident owners and 92.5% of the improvement district area. District II Advisory Board held a December 3, 2001, neighborhood hearing on the Petition. The Board recommended that the project be reduced to serving only properties owned by Petition signers.

The project will provide water service to nine existing homes on the west side of 127th Street East and a secondary line to Equestrian Estates Addition, a new residential subdivision on the east side of 127th Street East. A street rehabilitation project is planned for 127th Street East next spring. Installation of the waterline at this time will eliminate the need to cut the new pavement at a future date.

The estimated project cost is \$155,000, with \$93,000 assessed to the improvement district and \$62,000 paid by the Water Utility. The estimated assessments to the existing homes on the west side of 127th Street East is \$4,230 per lot. The estimated assessment to Equestrian Estates Addition is \$46,500. The Utility share is for the cost of over-sizing the pipe to serve future development outside the improvement district.

State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of the majority of the property in the improvement district.

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion -- carried

Pisciotte moved that the Petition be approved and the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

### RESOLUTION NO. 01-523

Resolution of findings of advisability and Resolution authorizing improving of water Distribution System Number 448-89644 (along 127<sup>th</sup> Street East, south of Harry), in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Knight moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

## LIQUOR

### ALLOCATION OF SPECIAL LIQUOR TAX FUNDS.

Cathy Holdeman

City Manager's Office reviewed the Item.

Agenda Report No. 01-1433.

On November 6, 2001, the City Council considered funding allocations for Special Liquor Tax Funds. The allocations were based upon the policies established by the City Council on December 14, 2001. The City Council determined that:

- Programs receiving Special Liquor Tax Funds should demonstrate their work through the measurement of meaningful outcomes over time.
- Both prevention and treatment programs should be funded as both have value to the community.
- Not all Special Liquor Tax Revenues should be targeted to one population.
- The City should continue to fund a continuum of service as providers are not duplicating efforts.

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- The City should reserve funds from the Special Liquor Tax to encourage providers to develop pilot programs as promising approaches to alcohol and substance abuse problems.
- The City should continue to fund programs that demonstrate meaningful outcomes and if providers cannot meet contract requirements they should not be fully funded, or perhaps funded at all.

The City Council approved funding for ten (10) providers, totaling \$673,570. Additionally, the City Council authorized staff to initiate Request for Proposals (RFP) for detoxification services in an amount not to exceed \$250,000.

City Staff initiated a Request for Proposals for detoxification services. Two proposals were received: one from Parallax and the other from Options Adult Services (a program of DCCCA, Inc.). The Subcommittee of the Special Liquor Tax Coalition reviewed the proposals and its recommendation was presented to the Special Liquor Tax Coalition. The recommendation of the full Coalition was to support funding for Parallax.

Parallax was selected due to its commitment to inclusive service delivery. Their proposal addressed specifically how the funds would be expended on detox services as requested in the RFP. The provider will treat the hard-to-serve clients including those with co-occurring disorders (substance abuse and mental health disorders), court ordered referrals, Wichita Police Department and hospital referrals (those that are fully intoxicated and without extra clothing) and referrals from other community agencies and walk-ins. This provider was also willing to account, on a daily basis to referral agencies, the number of beds available for detoxification services.

Funds are available in the Special Liquor Tax Fund to support the recommended allocations.

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Council Member Brewer

Council Member Brewer said he had voiced concern in November that some individuals were not accepted; he inquired whether they could go back before the Committee to find out why they were rejected.

Cathy Holdeman

City Manager's Office stated that a meeting would be scheduled as soon as possible with those rejected.

Motion --

-- carried

Pisciotte moved that the funding, not to exceed \$250,000, be approved; staff be authorized to enter into contracts with the agency; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## **WATER/SEWER**

### **PROPOSED WATER AND SEWER RATE ADJUSTMENTS - 2002.**

David Warren

Director of Water and Sewer reviewed the Item.

Agenda Report No. 01-1434.

The Water and Sewer utilities are facing capital costs in the coming years for refurbishment of existing infrastructure, and expansion of infrastructure to accommodate urban growth.

An expanding customer base provides some increased revenue to offset some costs; capital financing is required for future capital projects which will require rate adjustments.

Projects, such as the Water Supply Plan, construction of the Northwest Sewage Treatment Plant (Plant #3), and required improvements to the recently-acquired Sedgwick County sewer system, represent sound utility planning to support long-term growth and development. Funding these projects, however, will result in short-term financial impacts in terms of urgency to increase rates. The City's utilities are facing an "intergenerational equity" issue with current utility customers bearing a disparate share of the costs associated with financing these major capital improvements that will also benefit future utility customers.

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The Proposed 2002/2003 Budget projected water rate increases of 5% annually in 2002-2003, and sewer rate increases of 8% in 2002 and 6% in 2003. Water & Sewer and Staff were asked to develop alternative means of financing and options for minimizing required rate increases. Staff has developed numerous options for reducing proposed system-wide rate adjustments; options included:

- Increase plant equity fees
- Increase tap fees
- Delay capital projects
- Reduce operating costs
- Issue longer-term debt (30-or-40 year term)
- Schedule larger debt payments in later years
- Issue temporary notes to defer bond issuance to more favorable years
- Adjust the base service charges
- Increase the surcharge for outside-City services
- Increase late payment penalties

Some of these are problematic. For example: increasing late payment penalties would not significantly impact cash flow and increasing the base charge, or the late payment penalty, could be somewhat regressive, since the largest impact would impact customers with the lowest income. After careful examination, Staff recommends the following options:

(1) Issue Temporary Notes to Defer Bonding

2001 and 2002 are peak years in the Water and Sewer Capital Improvement Programs. The Water Supply Plan, relocation of the Water Distribution facility, and construction of Sewage Treatment Plant #3 will require significant outlays from the utility funds. This leads to increased pressure on rates; however, reduced expenditures in 2004 and beyond indicate that the best course may be to delay some bonded debt issuance until CIP financing needs become more moderate in later years. The feasible way to do this would involve use of temporary notes as interim financing during construction, and immediately following, to maintain positive cash flow until bonds are issued.

The recommendation assumes an issue of notes for both utilities in 2001 and 2002 to be renewed up to four years. After that time, regular 20-year revenue bonds will be issued per standard practice. Actual issuance date for the bonds, and length of time notes are required, will depend on a variety of factors including market conditions and progress with the CIP. This option could avoid approximately 6% in each utility's rate increase over a seven-year period.

(2) Increase the Outside-City Surcharge

Water and sewer customers living outside the City limits of Wichita currently pay a 55% surcharge for service. As the service area expands, the cost of serving outlying areas increases due to the engineering difficulties in maintaining flow and pressure to the centralized plants from wide areas with diverse topography. The surcharge is designed, in part, to equalize and ensure that citizens of Wichita receive the most favorable rates compared to outside-City residents. Staff believes that an upward adjustment in the surcharge would represent a fair and equitable contribution by outside-the-city customers to the investments for plant and capacity expansion.

The recommendation is to adjust the 55% surcharge for both water and sewer service on a phase-in basis by 1% annually from 2002 to 2006, at which point the surcharge will total 60%. After the phase-in period, the increase in sewer charges is projected to produce \$377,000 annually, equivalent to a rate increase of approximately 1.8%. In 2006, the water surcharge is expected to produce about \$430,000 annually, the equivalent of a 1.43% rate increase. [While the basis for the proposed increase is to secure a higher level of support from non-City customers for the plant/facility expansions, case law affirms that the City can charge the level it deems appropriate to non-Wichita water and sewer customers, without being limited to considerations of cost-recovery only.]

(3) Recalculate Plant Equity Fees

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Plant equity fees are designed to enable new customers to help pay for the system-wide capital improvements that allow them to obtain water and sewer service. These improvements would be limited to projects of system-wide importance, such as treatment plants and pump stations. Plant equity fees were last recalculated in 1995. They are currently set at \$940 for water service (generating \$1,791,497 in 2000) and \$500 for sewer (\$623,178 in 2000). Since that time, several major system-wide investments have been made with further improvements planned for the near future. These developments increase equity in the system. This raises an equity issue, as current customers who have paid via rates for improvements of this nature may effectively subsidize new customers who have not contributed any of the revenue that funds such system improvements.

An independent, outside consultant was retained to recalculate the plant equity fee. An increase of \$100 in the plant equity fee would generate revenue equivalent to approximately 0.6% in water or sewer rate increases. For planning purposes, the proposed increase assumes an increase in plant equity fees of approximately 20% in each utility in 2002; however, actual changes in revenue from plant equity fees will depend on the results of the fee recalculation effort.

## (4) Increase the Water Tap Fee

Tap fees are paid by customers desiring to add a new service to the system (not transfer an existing service). The service fee is designed to reimburse the department for the costs associated with making the tap. The current sewer tap fee is \$100; however, since the tap is usually performed by a contractor, generally only a \$30 connection fee is charged. The current water tap fee of \$330 produces approximately \$500,000 in annual revenue. The department has calculated the current cost associated with making the taps at \$720. To ensure full cost recovery for addition of service, an increase of \$390 in the tap fee is recommended. Staff further recommends phasing in any changes to the tap fee to moderate any adverse impacts on area development. The recommendation envisions an increase of \$100 annually from 2002-2004, and a final \$90 increase in 2005, bringing the total tap fee to the target level of \$720 by 2005.

Based on surveys, the combination of plant equity and tap fees (as proposed) to be charged by the City, is in line with regional norms. Staff believes there will be no competitive disadvantage for developers and new services in Wichita, versus comparable development and new services outside of Wichita.

The revised rate proposal fully funds the operating and capital program of the Water and Sewer utilities. Should the recommended options be approved by City Council, it is expected that the City could forego 10% in increased rates for each utility over a seven-year period without adversely impacting service, fund position, or debt service coverage. The recommended changes would allow rate relief in both long and short-term.

### Water and Sewer Rate Analysis

	<u>2002</u>	<u>2003</u>
<u>Water Rates</u>		
Original Rate Projection	5%	5%
Revised Rate Proposal	3%	3%
<u>Sewer Rates</u>		
Original Rate Projection	8%	6%
Revised Rate Proposal	4%	4%

Mayor Knight

Mayor Knight inquired if anyone wished to be heard.

Wes Galyon

West Galyon, Builders Association, asked the City Council to defer approval of specific water tap fee increases for two weeks to allow the Association and others to meet with City Staff for discussion.

Motion --

Knight moved that the recommended changes in plant equity fees, outside-City surcharge, and issuance of temporary notes be approved; and the water tap fees be deferred to January 8, 2001. Motion carried 6 to 0. (Martz absent)

-- carried

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## HYATT REGENCY

### WICHITA HYATT REGENCY HOTEL MANAGEMENT AGREEMENT.

Ray Trail

Director of Finance reviewed the Item.

Agenda Report No. 01-1435.

The governing body approved acquisition of the Hyatt Regency Hotel leasehold interest on September 25, 2001. It was reported at that time that management of the hotel itself would continue to be contracted out to a qualified private operator who can assure long-term retention of the Hyatt Hotel brand.

City staff and a special hotel consultant, PKF Consulting, have evaluated proposals from the current franchise manager, Crestline Hotels and Resorts, and from the Hyatt Hotel Corporation to directly manage the hotel. Both proposals would assure high quality of hotel operations and management with payment by the City of a management fee for services. Direct management of the hotel by Hyatt represents a lower net cost to the City inasmuch as a franchise fee of 5% of hotel room revenues would not be necessary.

Based on the lower cost proposal, City staff undertook to negotiate a management agreement with the Hyatt Corporation in order to determine the terms and conditions for Hyatt management of the hotel. The proposed management agreement would provide:

- A twenty-five year period for management under the Hyatt flag.
- Management by Hyatt Corporation of the hotel, conferencing center, and parking garage.
- A base management fee equal to 3% of gross revenues, with a provision for an incentive fee of 15% of profits above a "threshold" calculated at where the City secures a return on its investment in the hotel and the garage.
- Establishment of hotel operating accounts, working capital, and a FFE reserve for future capital improvements to the hotel facility.
- Access to all Hyatt Hotel Corporation corporate-wide programs and services.

A separate transition agreement has also been negotiated to cover all issues related to the assumption of management control of the hotel by Hyatt Corporation scheduled for January 8, 2002.

Annual revenues from the hotel will defray the operating costs of the hotel, including management fees and reserve contributions, and provide a return to the City to offset the annual cost for refinancing of the former mortgage loan on the facility.

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Ray Trail

Director of Finance, responding to a question, said the City is free to sell the Hotel; management assignment would go to the new owner of the hotel.

Motion --

Brewer moved that the management and transition agreements for operation of the Wichita Hyatt Regency Hotel be approved, and the City Manager be authorized to take the necessary actions and execute the necessary documents. Motion carried 6 to 0. (Martz absent)

-- carried

## WDDC

### CONTRACT WITH WICHITA DOWNTOWN DEVELOPMENT CORPORATION (WDDC).

Allen Bell

Financial Projects Director reviewed the Item.

Agenda Report No. 01-1436.

On March 20, 2001, the City Council adopted an ordinance creating a Self-Supported Municipal Improvement District ("SSMID") in downtown Wichita. The ordinance authorizes the City Council, as the governing body of the SSMID, to levy an assessment on all taxable real property located within the

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district for the purpose of marketing, developing and improving the downtown area, generally described as property bounded by the Arkansas River, Central Avenue, Washington Avenue and Kellogg Avenue. Under the ordinance, the City is required to contract with the Wichita Downtown Development Corporation ("WDDC") for implementation of the SSMID-funded programs. Since funding for these programs will come from assessments paid in 2002, the City Council approved a bridge loan, in the amount of \$100,000, in order to start preliminary operations in 2001. City staff and WDDC representatives have negotiated a contract for consideration by the City Council.

The contract for downtown development services with the WDDC provides for payments of SSMID assessment revenues to the WDDC in consideration of the implementation of the scope of services set forth in the contract. The budget is also set forth in the contract. The Operating Plan for the proposed SSMID contemplates a two-person staff, employed by the Downtown Development Corporation, with an estimated annual budget of \$484,690, funded by the SSMID assessment, that would focus its efforts in four major program areas:

1. Image enhancement and marketing programs to attract consumers visitors and residents and promote a positive downtown image.
2. Business retention and recruitment initiatives to retain, grow and attract jobs, businesses and investment.
3. Urban vitality improvements to make downtown more attractive and vital.
4. SSMID operations and bridge loan repayment to support program activities and repay the City bridge loan to fund preliminary SSMID activities.

SSMID assessments have been billed to property owners in the SSMID area by the County Treasurer as part of their 2001 property tax statement. Assessments will be collected by the County Treasurer and distributed to the City along with property taxes. The budget amount of \$484,690 is based on an assumed aggregate assessed valuation of approximately \$62 million and a proposed mill rate of 7.8 mills, and was officially adopted by the City Council in the 2002 City Budget.

Mayor Knight

Mayor Knight inquired if anyone wished to be heard and no one appeared.

Motion --

Fearey moved that the Contract for downtown development services with the Wichita Downtown Development Corporation be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

-- carried

## CITY COUNCIL AGENDA

### **TRAVEL APPROVAL APPROVAL OF TRAVEL EXPENSES FOR MAYOR KNIGHT TO FT. MYERS, FL, JANUARY 17-19, 2002, TO ATTEND NLC OFFICERS MEETING.**

Motion -- carried

Pisciotte moved that the expenditures be authorized. Motion carried 6 to 0. (Martz absent)

### **MUNICIPAL COURT APPOINTMENT OF MUNICIPAL COURT JUDGES.**

Agenda Report No. 01-1438.

Charter Ordinance No. 186 provides that the City Council has the discretion to consider whether to reappoint incumbent municipal court judges for another term of office without referral to the municipal court judge nominating commission. Charter Ordinance No. 135 provides that the City Council has the authority to designate a presiding judge in charge of the administration of the judicial functions of the court.

The Evaluation Committee appointed by the Mayor recommended the reappointment of the five incumbent judges. Pursuant to Charter Ordinance No. 186, the City Council may reappoint the five incumbent judges to fill the term of office that officially commenced on third Tuesday of April 2001 and expires on the third Tuesday of April 2005. The term of office of the incumbent municipal court

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judges expired on April 17, 2001, however, the service of the judges continued pursuant to the carry over provisions of Charter Ordinance No. 186. Pursuant to Council policy, the appointment of the administrative judge is for a one-year period.

The City Council has the authority to appoint qualified attorneys to serve as municipal court judges.

Motion --

Pisciotte moved that the five incumbent Municipal Court Judges be appointed to serve another term of office, such appointments to be effective as of the third Tuesday of April 2001, and to expire on the third Monday of April 2005, and the incumbent administrative judge be appointed for another one-year term, such appointment to be effective the third Tuesday of April 2001, and expiring on the third Monday of April 2002. Motion carried 6 to 0. (Martz absent)

-- carried

## GRANTS REVIEW

### GRANTS REVIEW COMMITTEE APPOINTMENTS.

Chris Cherches

City Manager reviewed the Item.

Agenda Report No. 01-1439.

On March 28, 2000, the City Council approved the change in composition of the Grants Review Committee due to the abolishment of the Human Services Advisory Board and the Citizen Participation Organization. The newly established Grants Review Committee is now comprised of twelve (12) members from the following areas: 4-District Advisory Board; 1-United Way; 1-Sedgwick County; 1-USD #259; 2-Wichita Independent Neighborhood Association; 1-Wichita State University; 1-large business and 1-small business.

The Grants Review Committee reviews the funding applications, holds one public hearing/applicant presentation and makes funding recommendations to the City Council.

The City Council is requested to select one large business representative and approve the appointments to the Grants Review Committee. In the event one of the nominees is unable to serve, it is requested the City Council authorize the City Manager to appoint a replacement.

The City has completed the required actions and the Council may make the appointments to the Grants Review Committee.

Mayor Knight left the Bench; Vice Mayor Pisciotte in the Chair.

### 2001 GRANTS REVIEW COMMITTEE NOMINEE LIST

Small Business (1)  
Cathy Feemster  
East Wichita News

Large Business (1)  
Orland D. Estes  
Klenda, Mitchell, Austerman & Zuercher LLC

Wichita State University (1)  
Eric Sexton

Curtis Whitten  
Vend-Tech Enterprises

District Advisory Boards (4)  
I Treatha Brown Foster  
Northeast Millair Neighborhood

Sedgwick County (1)  
Brad Snapp, Director  
AssnSedgwick County Housing Office

III William Ward  
Meadowlark Association of Neighbors

United Way (1)  
Patrick J. Hanrahan

IV Edwin Koon  
Orchard Breeze Neighborhood Association

USD #259 (1)  
Dr. Terry Behrendt  
Grants/Development Services

VI Maurine Willis

Wichita Independent Neighborhoods (2)

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Sherwood Glen Neighborhood Association

Steve Roberts

Chisholm Creek Neighborhood Association

Kevin Kimmel

Partners for Responsible Neighborhoods

Vice Mayor Pisciotte

Vice Mayor Pisciotte inquired if anyone wished to be heard and no one appeared.

Motion --

Pisciotte moved that the existing appointees be reappointed to the Grants Review Committee, and the Large Business appointment be made January 8, 2002, after Council Members have had an opportunity to review the nominees. Motion carried 5 to 0. (Martz, Knight; absent)  
(Appointments remain open for District Advisory Boards, Wichita Independent Neighborhoods, and Large Business.)

-- carried

Mayor Knight present and in the Chair.

**NAMING COMM.**

## **APPOINTMENT OF PUBLIC FACILITIES NAMING COMMITTEE.**

Agenda Report No. 01-1440.

Residents and businesses in the Delano area wish to name the park property located at Douglas and McLean "Delano Park." The City's policy to name public facilities is to establish a Naming Committee to review proposed and possible names and to submit a naming recommendation to the City Council.

The policy of the City is to appoint a Mayor's Advisory Committee comprised of nominees from each City Council District. The policy provides that each Council member nominate one person to serve on the Committee. The Park Board has endorsed this request to name the park "Delano Park."

There are no financial considerations other than the expense of making and placing the sign.

Council Policy establishes the procedure for naming public facilities.

Motion --

Knight moved that the appointments be made as follows: Mary Lou Rivers (Gale), Lori Lawrence (Brewer), William Ward (Lambke), Jack Kellogg (Fearey), Larry Frutiger (Pisciotte), and Toni Timpy (Knight). Motion carried 6 to 0. (Martz absent)

-- carried

**APPOINTMENTS**

## **BOARD APPOINTMENTS:**

Motion --

Mayor Knight made the following appointments to KTTI: Bob Knight (delegate), and Chris Cherches (alternate) and moved that the appointments be approved. Motion carried 6 to 0. (Martz absent)

-- carried

## **CONSENT AGENDA**

Motion --

Mayor Knight moved that the Consent Agenda, including Addendum Items, except Items 40-1 and 44 be approved as consent Items. Motion carried 6-0. (Martz absent)

**BOARD OF BIDS**

## **REPORT OF THE BOARD OF BIDS AND CONTRACTS DATED DECEMBER 17, 2001.**

Bids were opened December 7 and December 14, 2001, pursuant to advertisements published on:

PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION: Sewers, Paving and Water Mains as per specifications.

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Improving 21st Street North from 200 meters west of C.L. 119th Street West to 382.274 meters west of C.L. Maize Road - west of Maize Road at 21st Street North. (87 N-0189-01/472-83138/706814/201279) Traffic to be maintained during construction using flagpersons and barricades. (District V)

APAC - Kansas Inc. - \$2,091,860.20

Lateral 304, Four Mile Creek to serve Brookhaven Estates Addition - northeast corner of 159th East and Central. (468-83238/743867/480555) Traffic to be maintained during construction using flagpersons and barricades. (District II)

Dondlinger & Sons - \$156,727.50

12-inch main in Woodrow from Friar Lane to 39th Street North (W-824) - along Woodrow north of 37th Street. (448-89574/633736/751824) Traffic to be carried thru construction w/flagman. (District VI)

Nowak Construction - \$67,990.00

12-inch and 16 Inch Main in Sheridan from Kellogg to Burton (W-829) - along Sheridan north of Kellogg. (448-89575/633737/751829) Traffic to be carried thru construction w/flagman. (District VI)

Nowak Construction - \$158,180.00

Water distribution system to serve Southwest Industrial Addition - north of Pawnee, west of Meridian. (448-89585/735018/470688) Does not affect existing traffic. (District IV)

K C Excavating - \$19,807.00 (Corrected total)

Lateral 10, Main 16, Sanitary Sewer #22 to serve Southwest Industrial Addition - north of Pawnee, west of Meridian. (468-83272/743873/480561) Does not affect existing traffic. (District IV)

WB Carter Construction - \$40,831.00

Knight moved that the contract(s) be awarded as outlined above, subject to check, same being the lowest and best bid within the Engineer's construction estimate, and the and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

WATER & SEWER DEPARTMENT/SEWAGE TREATMENT DIVISION: Northwest Sewer Improvements - Main Pumping Station. (624063)

Utility Contractors -	\$2,231,022.00 (Total Base Bid)
	\$ 25,010.00 (Additive Alternate A - additional Pavement Construction)
	\$ 2,597.00 (Additive Alternate B - Enhanced Ornamental Fencing)

WATER & SEWER DEPARTMENT/SEWAGE TREATMENT DIVISION: Crestview Pump Station Rehabilitation. (624069)

Dondlinger - \$105,000.00 (Total Amount/1%30 Net30)

PUBLIC WORKS DEPARTMENT/STORM WATER MANAGEMENT DIVISION: Drainage Improvements at Amarado and New York & Elm. (660466)

Wildcat Construction Co., Inc. -	\$37,592.00 (Group 1/Total Net Bid)
	\$68,616.00 (Group 2/Total Net Bid)

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HOUSING SERVICES/PUBLIC HOUSING DIVISION: Interior and Exterior Renovation of 2647 North Ash, 2625 North Piatt and 1525 Arnold. (097805)

Williamson Construction, Inc. - \$112,452.00 (Total Net Bid)

FIRE DEPARTMENT/SAFETY DIVISION: Fire Hose, Fittings and Nozzles. (070136)

Industrial Supply Products Inc. - \$33,382.81 (Group 1/Total Net Bid)

Ed M. Feld Equipment Co. - \$11,021.49 (Group 2/Total Net Bid)

FINANCE DEPARTMENT/PRINT SHOP DIVISION: Fine, Carbonless and Tag Paper Stock. (037226)

Southwest Paper - \$ 8.00 (Group 1/Item 1/Per M)

\$10.37 (Group 1/Item 2/Per M)

\$ 5.13 (Group 1/Item 3/Per M)

\$ 6.66 (Group 1/Item 4/Per M)

\$ 3.91 (Group 1/Item 5/Per M)

\$ 4.32 (Group 1/Item 6/Per M)

\$ 5.18 (Group 1/Item 7/Per M)

\$ 8.34 (Group 1/Item 8/Per M)

\$10.02 (Group 1/Item 9/Per M)

\$ 5.23 (Group 1/Item 10/Per M)

\$ 8.80 (Group 1/Item 11/Per M)

\$ 8.46 (Group 1/Item 12/Per M)

\$16.76 (Group 1/Item 13/Per M)

\$10.45 (Group 1/Item 14/Per M)

\$20.90 (Group 1/Item 15/Per M)

\$13.19 (Group 1/Item 16/Per M)

\$ 8.02 (Group 2/Item 17/Per M)

\$ 9.05 (Group 2/Item 18/Per M)

\$ 9.67 (Group 2/Item 19/Per M)

\$21.53 (Group 2/Item 20/Per M)

\$27.39 (Group 2/Item 21/Per M)

\$22.48 (Group 2/Item 22/Per M)

\$28.81 (Group 2/Item 23/Per M)

\$24.04 (Group 2/Item 24/Per M)

\$30.91 (Group 2/Item 25/Per M)

\$ 8.29 (Group 2/Item 26/Per M)

\$10.56 (Group 2/Item 27/Per M)

\$10.58 (Group 2/Item 28/Per M)

\$13.45 (Group 2/Item 29/Per M)

\$11.34 (Group 2/Item 30/Per M)

\$19.00 (Group 2/Item 31/Per M)

Unisource - \$12.00 (Group 3/Item 32/Per M/Prices are Escalating/De-Escalating)

FIRE DEPARTMENT/VEHICLE & BUILDING MAINTENANCE DIVISION: Jaws of Life Rescue Tool Set. (070136)

Conrad Fire Equipment Inc. - \$19,864.00 (Lump Sum Total)

PUBLIC WORKS DEPARTMENT/FLEET & BUILDINGS DIVISION: Replace Exterior Restroom Doors at Various Park Buildings. (130823)

Hollow Metal Doors - \$9,857.00 (Total Base Bid)

\$ 915.00 (Total Option 1)

\$1,732.00 (Total Option 2)

\$ 925.00 (Total Option 3)

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\$1,732.00 (Total Option 4)

\$1,732.00 (Total Option 5)

PUBLIC WORKS DEPARTMENT/FLEET & BUILDINGS DIVISION: Asphalt Impregnated Expansion Joints. (130849)

Carter Waters Corp. - \$ .78 (Item 1/Total Per Each)

\$2.28 (Item 2/Total Per Each)

\$3.02 (Item 3/Total Per Each)

PUBLIC WORKS DEPARTMENT/MAINTENANCE DIVISION: Cryotec CMA Deicer. (123309)

Cryotech Deicing Technology - \$21,260.00 (Total Net Bid)

AIRPORT DEPARTMENT/OPERATIONS DIVISION: Rubber Tired Tractor Loader/Backhoe - 4 x 4. (190017)

Wichita Tractor Co. - \$47,921.00 (Item 1/Total Net Bid)

<\$ 5,500.00> (Option 1/Total <Deduct>)

POLICE DEPARTMENT/EMERGENCY ROAD SHOP DIVISION: Gemini Police Department Mobile Data Radio Modem. (602116)

Commenco, Inc. - \$15,726.00 (Total Net Bid)

PUBLIC WORKS DEPARTMENT/MAINTENANCE DIVISION: Traffic Signs. (132710)

Vulcan Signs - \$47,905.20 (Total Net Bid)

Knight moved that the contract(s) be awarded as outlined above, same being the lowest and best bid, and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## CMB

### APPLICATIONS FOR LICENSES TO RETAIL CEREAL MALT BEVERAGES:

<u>Renewal</u>	<u>2001</u>	<u>(Consumption off Premises)</u>
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Greg Johnson	Whatta Stop	1203 East Pawnee
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<u>New Establishment</u>	<u>2001</u>	<u>(Consumption on Premises)</u>
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Eugene J. Pelz	Siesta Steak & Lounge*	15130 West HWY 54
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\*General/Restaurant - 50% or more of gross receipts derived from sale of food.

Motion --  
-- carried

Knight moved that the License Applications be approved subject to Staff review and approval. Motion carried 6 to 0. (Martz absent)

## PLANS AND SPECS.

### SUBDIVISION PLANS AND SPECIFICATIONS.

There were no Subdivision Plans and Specifications submitted.

## PRELIMINARY ESTS. PRELIMINARY ESTIMATES:

a) Improving and widening Maple from 135th Street West to 119th Street West - north of Kellogg, 135th West to 119th West. (87 N-0195-01/472-83262/706817/201283) Traffic to be maintained during construction using flagpersons and barricades. (District V) - \$3,709,046.65

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- b) 2002 utility cut repair of streets, driveways and sidewalks - north of 47th Street South, east of 135th Street West. (472-83443/132035/) Traffic to be maintained during construction using flagpersons and barricades. (Districts I, II, III, IV, V and VI) - \$1,200,000.00
- c) 2001 contract maintenance residential street repairs - north of 47th Street South, east of 135th Street West. (472-83447/706809/132710/405274) Traffic to be maintained during construction using flagpersons and barricades. (Districts I, II, III, IV, V and VI) - \$68,000.00
- d) Rocky Glen from the south line of Lot 49, Block 6 Rocky Creek Addition to the south line of Tallowood. A sidewalk shall be constructed on the west side of Rocky Glen from the south line of Lot 49, Block 6, Rocky Creek Addition to the south line of Tallowood, to serve Rocky Creek and Rocky Creek Second Additions - north of Central, east of Greenwich. (472-83431/765701/490812) Does not affect existing traffic. (District II) - \$118,000.00
- e) Onewood, from the west line of the plat, east of the west line of 135th Street West, and on Dogleg from the south line of Onewood, south to the south line of the plat; Onewood Court, from the south line of Onewood, south to and including the cul-de-sac and on Onewood Court, from the south line of Onewood, south to and including the cul-de-sac; sidewalk constructed along one side of Onewood from the west line of the Plat, east to the west line of 135th Street West to serve Auburn Hills 13th Addition - south of Maple, west of 135th Street West. (472-83417/765694/490805) Does not affect existing traffic. (District V) - \$646,000.00
- f) Decel lane and left turn lane in Woodlawn from 37th Street North to Brookview to serve Whispering Brook Commercial Second Addition - west of Woodlawn, south of 37th Street North. (472-83329/765690/490801) Traffic to be carried through construction. (District I) - \$322,000.00
- g) Decel lane and left turn lane in 37th Street North from the northwest corner of Lot 4, Block 1, Whispering Brook Commercial Second Addition to Woodlawn to serve Whispering Brook Commercial Second Addition - south of 37th Street North, west of Woodlawn. (472-83330/765706/) Traffic to be carried through construction. (District I) - \$77,700.00
- h) Improving 21st Street North from Hillside to Oliver - east of Hillside at 21st Street North. (87 N-0200-01-01/472-83368/706823/201289) Traffic to be maintained during construction using flagpersons and barricades. (District I) - \$1,649,909.80
- i) (Amended) Lateral 138, Main 4, Sanitary Sewer No. 23 to serve Jones Park Addition - north of 33rd Street North, east of Arkansas. (468-83048/743819/480-507). Traffic to be maintained during construction using flagpersons and barricades. (District VI). Total Estimated Cost- \$19,440.00.
- j) (Amended) Fairview, from the north line of 32nd Street North to the south line of 33rd Street North to serve Gibbons Gardens and Jones Park Additions - north of 29th Street North, east of Arkansas. (472-83150/765608/490-719). Traffic to be maintained during construction using flagpersons and barricades. (District VI). Total Estimated Cost - \$124,670.00.
- k) (Amended) Left Turn Lane and Accel/Decel Lane at Woodlawn, south of 37th Street North. (472-83131/765663/490-774). Traffic to be maintained during construction using flagpersons and barricades. (District I). Total Estimated Cost - \$429,600.00.
- l) (Amended) Killenwood, from the east line of Greenwich to the west line of Reserve B to serve Killenwood Pointe Addition - south of 13th Street North, east of Greenwich Road. (472-83257/765652/490-763). Traffic to be maintained during construction using flagpersons and barricades. (District II). Total Estimated Cost - \$93,843.30.
- m) (Amended) Storm Water Sewer No. 544 to serve Auburn Hills 12th Addition - south of Maple, west of 135th Street West. (468-83180/751291/485-182). Traffic to be maintained during construction using flagpersons and barricades. (District V). Total Estimated Cost - \$350,200.00.

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n) (Amended) Water distribution system to serve Ascension Lutheran Church - south of Maple, west of 119th Street West. (448-89619/735029/470-669). Traffic to be maintained during construction using flagpersons and barricades. (District V). Total Estimated Cost - \$7,600.00.

Motion -- carried

Knight moved that the Preliminary Estimates be received and filed. Motion carried 6 to 0. (Martz absent)

## DEEDS/EASEMENTS DEEDS AND EASEMENTS:

a) Utility Easement dated November 29, 2001 from The Crew, a Kansas General Partnership for tracts of land in Lots 3 and 4, Woodland Heights 2nd Addition, Wichita, Kansas (Private Project, OCA #607861). No cost to City

b) Dedication of Utility Easement dated December 6th, 2001, from Lemon Tree Enterprises, LLC., for land located in the northwest ¼ of section 18, township 27 south, range 1 east within property described by deed as recorded on film 2053, pages 2059 and 2060 in the Sedgwick County Register of Deeds Office.

c) Utility Easement from the City of Wichita, Kansas, a Municipal Corporation, for a tract of land in the Northeast Quarter of Section 25, Township 27 South, Range 2 West of the 6th P.M., Sedgwick County, Kansas (Maple - 119th to 135th, OCA #706986). No cost to City.

Motion --  
-- carried

Knight moved that the documents be received and filed; and the necessary signatures be authorized Motion carried 6 to 0. (Martz absent)

## COST STATEMENTS STATEMENTS OF COST:

a) Improving Lateral 3, Main 3, Northwest Interceptor Sewer to serve The Lochs at Aberdeen 3rd and Evangel Assembly of God Additions (north of 21st Street North, east of 119th Street West). Total Cost - \$160,254.27 (plus idle fund interest - \$8,528.73, plus temporary note interest - \$0.00). Financing to be issued at this time - \$168,783.00. (743870/468-83219/480-558).

b) Improving Lateral 463, Southwest Interceptor Sewer to serve Angel Fire Addition (north of 47th Street South, west of Meridian). Total Cost - \$120,384.82 (plus idle fund interest - \$5,458.56, plus temporary note interest - \$1,162.62). Financing to be issued at this time - \$127,006.00. (743863/468-83182/480-551).

c) Improving Lateral 301, Four Mile Creek Sewer to serve Cedar View 2nd Addition (north of Lincoln, east of Greenwich Road). Total Cost - \$62,713.92 (plus idle fund interest - \$2,160.02, plus temporary note interest - \$930.06). Financing to be issued at this time - \$65,804.00. (743866/468-83223/480-554).

d) Improving Lateral 7, Main 2, Cowskin Interceptor Sewer to serve Auburn Hills 11th Addition (north of Kellogg, east of 151st Street West). Total Cost - \$33,165.02 (plus idle fund interest - \$1,576.98, plus temporary note interest - \$0.00). Financing to be issued at this time - \$34,742.00. (743879/468-83296/480-567).

e) Improving Lateral 4, Main 3, Northwest Interceptor Sewer to serve West Ridge Estates Addition (south of 29th Street North, east of 119th Street West). Total Cost - \$129,442.28 (plus idle fund interest - \$2,750.72, plus temporary note interest - \$0.00). Financing to be issued at this time - \$132,193.00. (743880/468-83103/480-568).

f) Improving Lateral 303, Four Mile Creek Sewer to serve Shoal Creek Addition (south of Central, west of 143rd Street East). Total Cost - \$240,766.79 (plus idle fund interest - \$14,508.21, plus temporary note interest - \$0.00). Financing to be issued at this time - \$255,275.00. (743865/468-83233/480-553).

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- g) Improving Lateral 22, Main 13, War Industries Sewer to serve One Kellogg Place 2nd Addition (south of Kellogg, east of Greenwich Road). Total Cost - \$240,486.23 (plus idle fund interest - \$11,497.77, plus temporary note interest - \$0.00). Financing to be issued at this time - \$251,984.00. (743871/468-83234/480-559).
- h) Improving Water Distribution System to serve property on either side of Hydraulic from 57th Street South to 63rd Street South (south of 55th Street South, east and west of Hydraulic). Total Cost - \$828,519.41 (less idle fund interest - \$15,473.16, plus temporary note interest - \$34,850.75). Financing to be issued at this time - \$847,897.00. (734944/448-89423/470-614).
- i) Improving Water Distribution System to serve Regency Park Addition (south of 29th Street North, west of Greenwich Road). Total Cost - \$29,837.07 (plus idle fund interest - \$703.07, plus temporary note interest - \$645.86). Financing to be issued at this time - \$31,186.00. (735006/448-89542/470-676).
- j) Improving Water Distribution System to serve Tara Falls and Tara Falls 2nd Additions (south of Harry, east of Greenwich Road). Total Cost - \$40,120.39 (plus idle fund interest - \$2,160.61, plus temporary note interest - \$0.00). Financing to be issued at this time - \$42,281.00. (735012/448-89565/470-682).
- k) Improving Water Distribution System to serve Newmarket Square Addition (north of 21st Street North, west of Maize Road). Total Cost - \$82,192.91 (plus idle fund interest - \$2,698.77, plus temporary note interest - \$1,679.32). Financing to be issued at this time - \$86,571.00. (734997/448-89525/470-667).
- l) Improving Water Distribution System to serve Ascension Lutheran Church 2nd Addition (south of Maple, west of 119th Street West). Total Cost - \$7,600.00 (plus idle fund interest - \$162.00, plus temporary note interest - \$0.00). Financing to be issued at this time - \$7,762.00. (735029/448-89619/470-669).
- m) Improving Water Distribution System to serve Woodlake 2nd Addition (north of Maple, east of Sheridan). Total Cost - \$84,744.50 (plus idle fund interest - \$875.28, plus temporary note interest - \$3,200.22). Financing to be issued at this time - \$88,820.00. (734971/448-89474/470-641).
- n) Improving Water Distribution System to serve Shelly's Orchard Addition (north of Pawnee, east of Maize Road). Total Cost - \$56,367.88 (plus idle fund interest - \$3,007.12, plus temporary note interest - \$0.00). Financing to be issued at this time - \$59,375.00. (735011/448-89549/470-681).
- o) Improving Water Distribution System to serve Angel Fire Addition (north of 47th Street South, east of West Street). Total Cost - \$54,666.23 (plus idle fund interest - \$1,831.69, plus temporary note interest - \$775.08). Financing to be issued at this time - \$57,273.00. (734998/448-89517/470-668).
- p) Improving Storm Water Sewer No. 544 to serve Auburn Hills 12th Addition (south of Maple, west of 135th Street West). Total Cost - \$346,333.05 (plus idle fund interest - \$16,723.31, plus temporary note interest - \$1,937.64). Financing to be issued at this time - \$364,994.00. (751291/472-83180/485-182).
- q) Improving Storm Water Drain No. 155 to serve Zoo Business Park Addition (north of 21st Street North, east of Hoover). Total Cost - \$66,796.33 (plus idle fund interest - \$3,037.97, plus temporary note interest - \$516.70). Financing to be issued at this time - \$70,351.00. (751289/468-83163/485-180).
- r) Improving Storm Water Drain No. 163 to serve YMCA South Addition (north of MacArthur, west of Meridian). Total Cost - \$112,325.12 (plus idle fund interest - \$5,192.88, plus temporary note interest - \$0.00). Financing to be issued at this time - \$117,518.00. (751298/468-83234/485-189).

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- s) Improving Storm Water Drain No. 162 to serve Savannah Place Addition (south of Maple, west of Tyler Road). Total Cost - \$47,920.38 (plus idle fund interest - \$2,513.62, plus temporary note interest - \$0.00). Financing to be issued at this time - \$50,434.00. (751296/468-83232/485-187).
- t) Improving Storm Water Sewer No. 195 to serve K. T. Wiedmann Business Park Addition (south of Kellogg, west of Greenwich Road). Total Cost - \$135,173.37 (plus idle fund interest - \$13,198.63, plus temporary note interest - \$0.00). Financing to be issued at this time - \$148,372.00. (751283/468-80969/485-174).
- u) Improving Water Distribution System to serve Sawmill Creek Addition (north of 45th Street North, east of Rock Road). Total Cost - \$55,061.66 (plus idle fund interest - \$2,634.64, plus temporary note interest - \$516.70). Financing to be issued at this time - \$58,213.00. (734995/448-89511/470-665).
- v) Improving Water Distribution System to serve Caldwell Equipment Addition (south of Highway K-42, west of Ridge Road). Total Cost - \$11,118.19 (plus idle fund interest - \$300.43, plus temporary note interest - \$258.38). Financing to be issued at this time \$11,677.00. (734989/448-89054/470-659).
- w) Improving Water Distribution System to serve Cessna, C.E.C.U. Additions and Unplatted Tracts (south of Highway K-42, east of Ridge Road). Total Cost - \$192,672.42 (plus idle fund interest - \$1,466.77, plus temporary note interest - \$6,831.81). Financing to be issued at this time - \$200,971.00. (734985/448-89487/470-655).
- x) Improving Lateral 305, Four Mile Creek Sewer to serve Tara Falls Addition (south of Harry, east of Greenwich Road). Total Cost - \$74,686.97 (plus idle fund interest - \$4,201.03, plus temporary note interest - \$0.00). Financing to be issued at this time - \$78,888.00. (743869/468-83244/480-557).
- y) Improving Lateral 6, Main 2, Cowskin Interceptor Sewer to serve Auburn Hills 12th Addition (south of Maple, west of 135th Street West). Total Cost - \$214,600.72 (plus idle fund interest - \$5,555.16, plus temporary note interest - \$5,167.12). Financing to be issued at this time - \$225,323.00. (743859/468-83178/480-547).
- z) Improving Lateral 302, Four Mile Creek Sewer to serve Metro East Baptist Church and Shoal Creek Additions (south of Central, west of 143rd Street East). Total Cost - \$63,612.28 (plus idle fund interest - \$3,769.72, plus temporary note interest - \$0.00). Financing to be issued at this time - \$67,382.00. (743864/468-83224/480-552).
- aa) Improving Lateral 66, Main 9, Sanitary Sewer No. 23 to serve Whispering Brook Commercial 2nd Addition (south of 37th Street North, west of Woodlawn). Total Cost - \$32,435.83 (plus idle fund interest - \$1,645.17, plus temporary note interest - \$0.00). Financing to be issued at this time - \$34,081.00. (743876/468-83220/480-564).
- bb) Improving Lateral 39, District A, Sanitary Sewer No. 21 to serve Woodlake 2nd Addition (north of Douglas, east of Sheridan). Total Cost - \$156,079.21 (plus idle fund interest - \$600.78, plus temporary note interest - \$6,313.01). Financing to be issued at this time - \$162,993.00. (743841/468-83112/480-529).
- cc) Improving Lateral 1, Main 11, Sanitary Sewer No. 23 to serve Sawmill Creek Addition (north of 45th Street North, east of Rock Road). Total Cost - \$201,474.56 (plus idle fund interest - \$7,849.72, plus temporary note interest - \$2,712.72). Financing to be issued at this time - \$212,037.00. (743861/468-83170/480-549).
- dd) Improving Water Distribution System to serve Sawmill Creek Addition (north of 45th Street North, east of Rock Road). Total Cost - \$111,927.73 (plus idle fund interest - \$5,910.41, plus temporary note interest - \$645.86). Financing to be issued at this time - \$118,484.00. (734996/448-89509/470-666).

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ee) Improving Water Distribution System to serve Brush Creek 3rd Addition (south of 37th Street North, east of Woodlawn). Total Cost - \$50,041.13 (plus idle fund interest - \$1,149.95, plus temporary note interest - \$1,110.92). Financing to be issued at this time - \$52,302.00. (735003/448-89531/470-673).

ff) Improving Water Distribution System to serve Ridge Port Addition (north of 29th Street North, east of Ridge Road). Total Cost - \$65,166.54 (plus idle fund interest - \$3,056.76, plus temporary note interest - \$516.70). Financing to be issued at this time - \$68,740.00. (735005/448-89266/470-675).

gg) Improving Water Distribution System to serve Ellson Court Addition (south of Central, east of Greenwich Road). Total Cost - \$15,201.42 (plus idle fund interest - \$964.58, plus temporary note

hh) Improving Water Distribution System to serve Willow Place, Sawmill Creek and 45 Rock Road Industrial Park Additions (along 45th Street North, east of Rock Road). Total Cost - \$134,812.28 (plus idle fund interest - \$3,264.78, plus temporary note interest - \$3,306.94). Financing to be issued at this time - \$141,384.00. (734992/448-89493/470-662).

ii) Improving Water Distribution System to serve Shoal Creek Addition (south of Central, west of 143rd Street East). Total Cost - \$78,047.29 (plus idle fund interest - \$3,229.01, plus temporary note interest - \$516.70). Financing to be issued at this time - \$81,793.00. (735001/448-89522/470-671).

Motion -- carried Knight moved that the Statements of Cost be received and filed. Motion carried 6 to 0. (Martz absent)

## **STREET CLOSURES      CONSIDERATION OF STREET CLOSURES/USES.**

There were no Street Closures submitted.

## **CLAIMS RESOLVED      REPORT ON CLAIMS ALLOWED NOVEMBER, 2001:**

<u>Name of Claimant</u>	<u>Amount</u>
Bray, Chris and Tracy	\$2,000.00**
Flentie, Wendy M.	\$309.23
Freund, Wilmer	\$95.00
Griffith, Kristie	\$778.42
Gruver, Debbie K.	\$65.61**
Hayes, Yolanda Mia	\$300.00**
Lester, Virginia	\$0.00
Lopez, Gilberto	\$224.40
Maxwell, Martha	\$225.00**
Nguyen, Thuy	\$82.85
Rodriguez, Charles	\$566.67**
Ryan, Ellen	\$397.13
Schauner, Bernice B.	\$201.66**
Twin Oaks Owners Association	\$1,889.00
Tye, Randy	\$341.08
Vu, Hung D.	\$179.00
West, Aaron/Leslie's Poolmart	<u>\$2,012.71**</u>
TOTAL	\$9,667.76

\*\*Settled for lesser amount than claimed

Motion -- carried Knight moved that the report be received and filed. Motion carried 6 to 0. (Martz absent)

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## SPECIALS

### AGREEMENT TO RESPREAD ASSESSMENTS – PINE MEADOW AND PINE MEADOW SECOND ADDITIONS, SOUTH OF 13TH STREET NORTH, EAST OF GREENWICH ROAD. (District II)

Agenda Report No. 01-1441.

The developers, Kiser Gateway, L.L.C. and Willard J. Kiser Properties, L.L.C., platted Pine Meadow and Pine Meadow 2nd Additions and have submitted two Agreements to respread special assessments within the Additions.

The land was originally included in several improvement districts for a number of public improvement projects. The purpose of the Agreements is to respread special assessments on an equal share basis for each lot. Without the Agreements, the assessments will be spread on a square foot basis. The Agreements will equalize the assessments for each lot, making it easier for the developer to market the lots.

There is no cost to the City.

Motion --  
-- carried

Knight moved that the Agreements be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## CHENEY

### CHENEY WATERSHED STAFF ENHANCEMENT.

Agenda Report No. 01-1442.

Cheney Reservoir is one of Wichita's major sources of water providing approximately 60% of Wichita's annual water supply. Since 1993, the City has been participating in a program to encourage the implementation of projects that will reduce pollution entering the reservoir. Participation includes the concept of the City assuming part of the cost necessary to allow landowners to implement "best management practices" in the watershed. On October 13, 1998, the City Council approved an MOU with the Citizens Management Committee (CMC) to fund a public relations/education position to assist with the project.

The Cheney Watershed Improvements project (500,000 acres in five counties) is one of the most successful projects of its kind in the nation receiving national awards. Over 2,000 projects have been completed in the watershed resulting in a reduction in taste and odor events in the City's drinking water. Much of the credit for the success of the project can be attributed to the work of the CMC, composed of people living and working in the watershed who have worked hard to convince their neighbors that the improvements are good for both them as well as the City.

Tasks of the staff member have included:

- Working with producers to complete projects recommended in the Watershed Implementation Plan
- Assisting the CMC at group informational meetings and following up with one-on-one meetings with producers
- Assisting producers in determining profitability of new practices
- Assisting in the creation of newsletters and media contacts
- Assisting with the preparation of grants

The public relations/education staff position has been successful in increasing interest in the watershed, the number of projects completed in the watershed, and consequently, impacting the water quality in the reservoir. There previously were no funding sources available through other agencies and the City provided all funding. The Kansas Department of Health and Environment has offered to provide \$13,000 (approx. 35%) towards this position.

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Cost of the position will not exceed \$36,000 in 2002. The City will provide \$23,500 with KDHE providing \$13,000. Funds are available in CIP W-500 Cheney Watershed Protection Plan, which has \$200,000 allocated for this project in 2002.

Motion --  
-- carried

Knight moved that the Memorandum of Understanding be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## SANITARY SEWER

### SANITARY SEWER MASTER PLAN – SUPPLEMENTAL.

Agenda Report No. 01-1443.

The Environmental Protection Agency (EPA) released draft regulations concerning overflow occurrences from municipal sanitary sewer collection systems that will place the burden of proof on municipalities. The regulations prohibit sanitary sewer overflows (SSOs) or bypasses to occur prior to reaching the headworks of a treatment facility. The only allowable occurrences would be those for which it could be proven that the discharge was caused by severe natural conditions, or was unavoidable despite proper management, operation, and maintenance of the system.

On September 12, 2000, the City Council approved a Supplemental Agreement to the Sewer Master Plan, to develop a dynamic sewer model for the City of Wichita. The development of the dynamic sewer model would be a powerful tool to assist in making decisions to determine alternate methods of service to localized areas. It would provide the ability to observe the impact to the system downstream of increased flows from newly developed areas.

The original scope of services for the Sewer Master Plan Update did not require the type of modeling that is being requested. The development of the dynamic model is based on sewer system data that is gathered over a period of time and then used to construct the model. It was anticipated that information from our Sewer Response Plan would be adequate to develop such a model; however, it has been determined the information currently available is not adequate for the development and calibration of a dynamic model. The Supplemental Agreement was requested to provide the additional effort to complete the assessment that will be used to produce a hydraulic model and suggest a set of tasks for completing the hydraulic assessment of the major elements of the City's sewer system under dynamic conditions.

The original Contract was \$193,900. Supplemental Agreement No. 3 is for \$39,960 and will be paid for as part of the 2000 Sanitary Sewer Master Plan Update (CIP S-508). The existing budget must be increased; therefore, it is requested the current budget of \$650,000 be increased by \$40,000 for a total of \$690,000. \$40,000 can be transferred from CIP S-315, Interceptor Relief Sewers, which is being completed for less than the original estimate.

City Council authorization is required for projects of \$10,000 or more.

Motion --  
-- carried

Knight moved that the Agreement be approved; the CIP modified; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## LINCOLN PARK

### LINCOLN PARK IRRIGATION SYSTEM. (District I)

Agenda Report No. 01-1444.

Lincoln Park is a parcel of 3.0 acres located at Bayley Street and Broadway. This park site adjoins the Bayley Street rail corridor and is home to an interactive water feature installed and put into operation earlier this year. The park also contains several playground equipment features. An automated irrigation system is required to improve the visual appearance and conserve water at this strategically located park site.

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A Request for Proposal (RFP) was issued October 29, 2001, and resulted in eight (8) viable proposals. Park and Recreation staff reviewed the proposals and recommends that Apex Lawn & Irrigation be awarded the project. A proposed agreement has been drafted between the City and Apex which provides for construction of a design-build automated irrigation system at Lincoln Park.

Payment will be as outlined in the agreement for a total of \$17,800, with the balance coming from Park Facilities Renovation capital project funding.

Motion --

-- carried

Knight moved that the Agreement/Contract be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## LEGAL SERVICES

### SUPPLEMENTAL AGREEMENT FOR LEGAL SERVICES – WATER DEPARTMENT SALES TAX.

Agenda Report No. 01-1445.

In 1994, the Kansas Department of Revenue audited sales and compensating use tax payments by the City's water utility. The City retained the Morris Laing law firm which is experienced in sales tax matters. The Department of Revenue subsequently made assessments against the City and in March of 1996, the City Council approved a supplemental agreement for additional legal services in connection with appeal of the assessments. The City's administrative appeal to the Director of Revenue's Designee necessitated additional legal services, and on July 15, 1997, the Council approved a supplemental agreement for additional services. In December of 1997 and June 2001, the Council approved supplemental funding, which has brought the largest issues in the case to a point of favorable decision in the Court of Appeals, and a series of smaller issues through a hearing before the Board of Tax Appeals ("BOTA").

By the Supplemental Agreement, the City of Wichita will continue to use the services of the Morris Laing law firm to provide legal advice and representation in the pending tax appeal.

The Supplemental Agreement is for a not-to-exceed sum of \$25,000. These services will be paid out of the Water Administration operating funds.

Motion --

-- carried

Knight moved that the Agreement/Contract be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## REMINGTON PLACE

### SUPPLEMENTAL – CONSTRUCTION ENGINEERING AND STAKING FOR REMINGTON PLACE ADDITION – EAST OF WEBB, SOUTH OF 21ST STREET. (District II)

Agenda Report No. 01-1446.

The City Council approved the project on April 24, 2001. On October 23, 2001, the City approved an Agreement with Professional Engineering Consultants, P.A. (PEC) to design the improvements. The Design Agreement with PEC requires PEC to provide construction engineering services if requested by the City.

The proposed Supplemental Agreement between the City and PEC provides for construction engineering and staking for the improvements in Remington Place Addition. Due to the current workload created by previous projects, City crews are not available to perform the construction engineering for this project.

Payment will be on a lump sum basis of \$16,893, and will be paid by special assessments.

Motion --

-- carried

Knight moved that the Agreement/Contract be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

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**WEST RIDGE EST.     SUPPLEMENTAL – CONSTRUCTION ENGINEERING AND STAKING FOR WEST RIDGE ESTATES – SOUTH OF 29TH STREET NORTH, EAST OF 119TH STREET WEST.**  
(District V)

Agenda Report No. 01-1447.

The City Council approved the project on May 2, 2000. On September 25, 2001, the City approved an Agreement with Baughman Company, P.A. to design the improvements. The Design Agreement with Baughman requires Baughman to provide construction engineering services if requested by the City.

The proposed Supplemental Agreement between the City and Baughman provides for construction engineering and staking for the improvements in West Ridge Estates. Due to the current workload created by previous projects, City crews are not available to perform the construction engineering for this project.

Payment will be on a lump sum basis of \$25,385, and will be paid by special assessments.

Motion --                      Knight moved that the Agreement/Contract be approved and the necessary signatures be authorized.  
-- carried                      Motion carried 6 to 0. (Martz absent)

**SETTLEMENT     SETTLEMENT AND RELEASE – GILBERT & MOSLEY – WICHITA EAGLE AND BEACON PUBLISHING COMPANY.**

Agenda Report No. 01-1448.

On October 7, 1998, the City of Wichita filed a lawsuit against twenty-six parties in City of Wichita v. Aero Holdings, et al., No. 98-1360-MLB. The City alleged that these parties were responsible for the groundwater contamination in the Gilbert & Mosley site and sought to recover the costs of investigating and cleaning up the site. Several of the defendants have already settled the City's claims and an additional party now proposes to settle.

Under the proposed Settlement and Release Agreement with the Wichita Eagle and Beacon Publishing Company, Inc., the City would dismiss its claims against the company for response costs in the Gilbert & Mosley Site. In return, the company would pay the City the sum of \$1,200,500.00. The parties will seek Court approval of the settlement.

The settlement sum will be paid into the Gilbert & Mosley TIF fund and be used for the expenses of the Project.

Motion --                      Knight moved that the Settlement and Release Agreement be approved and the necessary signatures be  
-- carried                      authorized. Motion carried 6 to 0. (Martz absent)

**ENERGY UTILITIES     LEGAL CONSULTING SERVICES – ENERGY UTILITIES.**

Agenda Report No. 01-1450.

The City of Wichita has been engaged in an on-going effort to safeguard the future economic vitality of the south central Kansas region as it relates to securing a reliable source of affordable electric energy. The City wishes to continue to monitor economic and legal developments regarding this area of interest and proposes to engage the services of an outside legal and financial consultant for this purpose. It is requested that City Council approve a contract amount not-to-exceed \$25,000.

Mr. Robert W. Doty, President of American Governmental Financial Services, is both an attorney and a financial consultant whose practice have specialized in matters generally relating to energy utilities. His services will include advising the City Law Department on legal issues connected with electric utility service in Wichita and the south central Kansas region.

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The costs of the legal consulting services contract will be paid from appropriated general fund reserves.

Motion --  
-- carried

Knight moved that the Agreement/Contract in an amount not to exceed \$25,000 be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## LEGAL SERVICES

### LEGAL CONSULTING SERVICES – CIVIL RIGHTS AND PERSONAL INJURY CASES.

Agenda Report No. 01-1451.

The City retained the law firm of McDonald, Tinker, Skaer, Quinn and Herrington, P.A. to provide legal services for the City in civil rights and personal injury cases involving police litigation.

The current agreement provided for compensation not to exceed \$25,500. It has become necessary to spend additional sums to continue the representation of the city in five pending cases. This will be the fifth amendment to the agreement.

Funding up to \$10,000.00, for this agreement amendment will be available from the Self-Insurance Fund or appropriated reserves.

The Law Department recommends acceptance of the agreement amendment. The additional sums are necessary for the continued representation in existing cases and is reasonable in amount.

Motion --  
-- carried

Knight moved that Agreement with McDonald, Tinker, Skaer, Quinn and Herrington, P.A. be approved authorizing payment of up to \$10,000, to provide additional legal services, together with any necessary fund transfers; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## ELECTRICAL RATE

### PROFESSIONAL SERVICES SUPPLEMENTAL – ELECTRICAL RATE.

Agenda Report No. 01-1452.

The City has undertaken a number of strategies to pursue the goal of reduction of electrical rates. The City is actively participating in cases before the Kansas Corporation Commission and the Kansas Courts. The City has used the services of the law firm of Duncan & Allen to provide legal advice and assistance in electrical strategies and electrical rate proceedings under prior contracts for legal services.

This Supplemental Agreement provide the continued authority to pay for the services of the firm of Duncan & Allen for electrical power advice and representation in electrical proceedings, including the Western Resources rate case. The agreement also covers the cost of services of expert witnesses and related expenses necessary for these proceedings.

The Supplemental Agreement is for a not-to-exceed sum of \$23,000. Payment for these services will come from 2001 General Fund Appropriated Reserves.

Motion --  
-- carried

Knight moved that the Agreement/Contract be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

(Addendum Item 26m)  
HYATT

### CONTRACT WITH ALLEN GIBBS AND HOULIK, L.C.

Agenda Report No. 01-1489.

The City Council approved the agreement for acquisition of the Hyatt hotel leasehold and to continue the management of the hotel to a private qualified management operator who can assure the long-term retention of the Hyatt Hotel quality.

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The City currently has a relationship with Allen Gibbs & Houlik, L.C. to perform the annual audit as well as special projects during the term of their contract. For due diligence, the City required an outside accounting firm to review the proposed purchase agreements as well as assistance in connection with the closing and settlement of working capital accounts, and refinancing of the bank loan on September 25, 2001. An initial contract for under \$10,000 was authorized by the City Manager, but the scope of work has increased beyond that amount.

The cost of the services will be not-to-exceed \$30,000. Funding for the contract will be provided from internal service funds, and subsequently reimbursable from hotel operating revenue.

City Council must approve all contracts in excess of \$10,000.

Motion --  
-- carried

Knight moved that the Agreement/Contract be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

(Addendum Item 26n)  
**HEALTH SERVICE**

## **COMPREHENSIVE COMMUNITY CARE OF SEDGWICK COUNTY INTERLOCAL AGREEMENT – HEALTH SERVICE.**

Agenda Report No. 01-1490.

The functions of the Wichita-Sedgwick County Department of Community Health must be allocated to the most appropriate body, either the new City department of environmental health or the County health department, effective January 1, 2002. On that date, the current joint department will cease to exist, and the services it provides to City and County residents will be taken over by one of the two newly created health entities – one each being a part of the City and the County.

Due to other activities on related issues over the past decade, the City and County staff developed expertise in, respectively, environmental and public health issues. It became apparent that the most efficient manner to deliver health services to the residents of Wichita and Sedgwick County was to develop separate departments, with consequently stable funding obligations, for each municipality to operate on its own, and by agreement, provide its services countywide. The municipal administrators reached an agreed allocation of responsibilities and these are reflected in the Interlocal Agreement. The County will include City residents, for those services allocated to it by this agreement. The lease of certain space in the City facilities for a year's period will allow the services to proceed in a "seamless" fashion to users, and give time for the City and County to gauge their respective future needs for space.

Financial Considerations: The lease is prepared to have the County cover the City's costs for the property rented on a square foot basis, and the City and County will operate their respective new responsibilities within the budget currently allocated by each for the previous joint Health department.

Legal Considerations: The Law Department has reviewed the agreement drafted by the County through several revisions, and several exhibits containing extensive information incorporated in the agreement need checking for completeness and accuracy. Approval should be subject to final legal review. This same matter is on the County agenda for approval on the same basis on December 19, 2001. After City and County approval, the interlocal agreement is subject to approval by the Attorney General for conformity with state law.

Motion --  
-- carried

Knight moved that the Agreement/Contract, subject to final Legal review, be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

**DESIGN SERVICES**

## **SUPPLEMENTAL AGREEMENT – INTERSECTION OF CENTRAL AND RIDGE ROAD.** (District V)

Agenda Report No. 01-1453.

On September 25, 2001, the City entered into an Agreement with Savoy, Ruggles & Bohm, P.A. (SRB) for designing improvements to the intersection of Central and Ridge Road. The fee was \$113,400.

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The landscaping at the southwest corner was not part of the original contract. The City did not own the property when SRB was contracted for the project. To provide landscaping on the site, SRB had to perform a topographic survey of the property after the building had been torn down. The landscaping at the corner involved several meetings with City staff for review and subsequent approval. The storm water sewer had to be redesigned due to this added landscaping. All of this work was beyond the original scope of services, and included a site grading plan. A Supplemental Agreement has been prepared.

Payment will be on a lump sum basis of \$4,390 and will be paid by General Obligation Bonds.

Motion --  
-- carried

Knight moved that the Agreement/Contract be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## SECTION 8

### ARCHITECTURAL SERVICES - SECTION 8 OFFICE RECONFIGURATION.

Agenda Report 01-1454.

The current Section 8 Office is located in the 1st Floor of the Greenway Manor Complex at 307 N. Riverview which was constructed in 1975. The approximate 2,790 square foot space used by Section 8 has become overcrowded for present staff and will not allow for staff consolidation or for needed expansion. The Section 8 Program has grown from administering 1000 housing vouchers to the present level of 2500 vouchers. The restrooms are not adequate for staff and public use. In addition, the restrooms do not meet current ADA 504 accessibility standards. Finally, the heating and cooling system has not been adequate to provide a comfortable working environment. The Housing Services Department is investigating ways to expand floor space, reconfigure workstations to consolidate all functions of the Section 8 Program, maximize office efficiency and increase energy efficiency.

Funding for the professional services and the cost of the reconfiguration was approved by the Council in the October 2, 2001 City Council Meeting as a part of the 2002 Capital Fund Budget. The physical condition of this office has been a concern of the Kansas City Regional HUD Office and has deemed this project as an eligible item under the Capital Fund Program.

The Housing Services Department issued a Request for Proposal (RFP) to architectural firms. Only one response was received for the RFP. The response was from Randal Steiner Architect, P.A. in the amount of \$11,800. Staff has reviewed the proposal and recommends that Randal Steiner Architect, P.A. be awarded the contract.

Funding for this project is a part of the adopted 2002 Capital Fund Program Budget.

Motion --  
-- carried

Knight moved that the proposal to provide architectural services by Randal Steiner Architect, P.A. for the Section 8 Office Reconfiguration be approved; Staff be authorized to develop a Contract; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

(Addendum Item 27A)  
**ANTI LITER**

### ANTI-LITTER MARKETING AGENCY.

Agenda Report No. 01-1491.

The City of Wichita has experienced increasing occurrences of littering, illegal dumping, and vandalism that harms the community's image and causes environmental damage. Moreover, significant costs are borne by taxpayers, approximately \$1.6 million by the City last year alone, collecting litter and debris and repairing vandalism to public property.

These factors necessitate City actions to increase its efforts to curb littering and illegal dumping by initiating the "Don't Trash Wichita" Campaign. This campaign consists of: ordinance revisions to increase penalties for littering, illegal dumping, and vandalism offenses; a major public relations campaign to promote prevention and awareness; and greater emphasis on partnerships with

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neighborhood and community groups to increase volunteer clean-up activities. The intended outcomes will be a cleaner community, lower costs to taxpayers and better environmental conditions. The education campaign debuted this fall with considerable success.

Council approved the initial campaign for "Don't Trash Wichita" on August 28 utilizing the Greteman Group. Staff is now ready to continue into the second phase of the campaign with services including extended media buys, concepts, promotional clean up opportunities and tactical assistance in promoting a new "trash" hotline.

Funds were included in the Revised 2001 Budget for the "Don't Trash Wichita" Campaign. Sufficient funds are available not to exceed \$90,000.

Motion --  
-- carried

Knight moved that the second phase Contract, not to exceed \$90,000, be approved and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## BUDGET

### ANIMAL SHELTER NATURAL GAS EXPENSE- HEALTH DEPARTMENT.

Agenda Report No. 01-1455.

The Wichita Animal Shelter utilizes two natural gas-fired incinerators for the disposal of dead animals. The purchase of natural gas normally accounts for over twelve percent of the shelter budget, second only to personnel costs. Natural gas prices increased dramatically during the early months of 2001, driven by increased demand due to unusually low temperatures. Staff estimates that this year's expenditure for natural gas will exceed the budgeted amount by approximately \$15,000.

Unexpended funds exist in the budgets for seasonal weed mowing and swimming pool inspection programs due to the early departure of seasonal staff. A small amount is also available in the tobacco control budget, due to lower than anticipated costs for tobacco retailer compliance checks.

Funds requested for transfer total \$13,850. Savings on other shelter expenditures, coupled with the proposed transfers, should be adequate to cover the shortfall.

City Council approval is required for budget adjustments in excess of \$10,000.

Motion --  
-- carried

Knight moved that the transfer of \$10,800 from seasonal weed mowing; \$ 2,360 from seasonal swimming pool inspection; and \$690 from tobacco control to the animal shelter budget be approved. Motion carried 6 to 0. (Martz absent)

## BUDGET

### OFFICE OF PROPERTY MANAGEMENT.

Agenda Report No. 01-1456.

The Property Management Special Revenue Fund is a self-sustaining special revenue fund. The management and maintenance of non-project related City properties is paid for from this fund. Some of these properties include properties acquired in advance of the East and West Kellogg expansion projects, the Family Inn, the former Heartspring campus and Victoria Park apartments.

When the 2001 budget was adopted, Staff did not know how quickly properties would be acquired for the East and West Kellogg expansion projects. While most of the properties are leased on an interim basis, there are maintenance, management, and property tax expenses inherent in ownership. These liabilities are not included in the 2001 budget. In 2001, building rental income was \$111,000 above the budgeted levels.

Contingent funds are available within the Property Management Fund to meet the needs noted above. Funds required at this time total \$60,000.

Budget transfers/adjustments in excess of \$10,000 require City Council approval.

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Motion -- carried

Knight moved that the budget be approved. Motion carried 6 to 0. (Martz absent)

## BUDGET

### WICHITA TRANSIT.

Agenda Report No. 01-1457.

In 2001, a budget assessment in contractals was made to compensate for workers compensation claims. Wichita Transit experienced a significant number of work comp claims. Management has developed a comprehensive Safety Program. Further, 75% of the Wichita Transit bus fleet will be replaced by June of 2002, which should also reduce work comp claims.

ADA demand has also increased for paratransit service in 2001.

Paratransit demand has increased more than anticipated. Unexpended funds exist from contingency line items, primarily due to low costs of diesel and gas.

Approximately \$105,000 is needed to cover worker's comp costs while another \$32,500 is needed to cover purchased ADA transportation service. The funds needed are available within the existing transit fund budget.

City Council approval is required for budget adjustments in excess of \$10,000.

Motion --

Knight moved that the transfer of \$34,000 and \$58,500 from contingency to contractual in Special Services and Operations respectively; \$5,000 from Transit Center contractual to personal services, and \$40,000 from Operations commodities to contractual budget be approved. Motion carried 6 to 0. (Martz absent)

-- carried

## BUDGET

### BUDGET ADJUSTMENT - FLEET MAINTENANCE.

Agenda Report No. 01-1458.

The City's Fleet Maintenance operation provides operational and maintenance support to approximately 1,800 vehicles and pieces of equipment. The Fleet Fund budget also incorporates maintenance and operations of the Central Maintenance Facility campus and its' buildings, including repairs and utility costs. Although most expenses can be anticipated during budget preparation, some expenses are neither routine nor foreseeable.

Several issues have arisen during the course of operations in 2001 that have caused the Fleet Fund budget to become over-expended. Those circumstances include:

- New EPA requirements for calibration, testing, and automatic monitoring of underground fuel storage tanks;
- Increased cost of hazardous materials disposal;
- Increased gas utility costs;
- Rebuilding the undercarriages of two bulldozers.

Analysis of projected expenditures shows that adjustments can be made within the 2001 Revised Fleet Fund operating budget. Funds are available due to favorable bids received on replacement capital equipment, and due to staff pursuing a capital replacement plan that spent less than budgeted resources while still meeting current needs.

Under-expenditures in capital outlay are available for transfer to contractual services. A transfer of \$65,000 is required to complete 2001 operations.

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Budget transfers in excess of \$10,000 require City Council approval.

Motion -- carried

Knight moved that the budget be approved. Motion carried 6 to 0. (Martz absent)

## BUDGET

### LAW DEPARTMENT TORT FUNDS BUDGET ADJUSTMENT.

Agenda Report No. 01-1459.

As a result of the extension to a legal services contract and a settlement of a claim, it is necessary to transfer additional funds to provide for claims and contract encumbrances/payments out of the Tort Fund that will need to be made before the end of 2001.

Given existing fund balances, a transfer of \$25,000 to fund contractual obligations and \$50,000 to fund claims payments should be sufficient to last to the end of 2001.

Funds for the transfers will be available within the Self-Insurance Fund or from other appropriated reserves.

The transfers are necessary to pay claims and to pay costs of defense on cases where outside counsel have previously been retained.

Motion --

Knight moved that the transfer of \$25,000 to the contractals line of the General Liability Tort Fund and \$50,000 to the claims line of such Fund, in each case from moneys within the Self Insurance Fund, or from other appropriated reserves, be approved. Motion carried 6 to 0. (Martz absent)

-- carried

## BUDGET

### NORTH BRANCH LIBRARY.

Agenda Report No. 01-1489.

On March 27, 2001 the City Council approved the Library/Head Start proposal to utilize the former Arts and Crafts building as a North Branch Library and community facility, and authorized Staff to engage architectural services to determine project design and costs.

The Wichita Public Library proposes to use two-thirds of the facility located at 25th and Arkansas for traditional library services and meeting space for neighborhood residents. Head Start classroom and programs will occupy the remaining one-third. Head Start also plans to offer space in their portion of the facility to H.O.P.E. and Wichita Acts on Truancy.

The City Council has previously approved CDBG funding in the amount of \$329,610 (net) for architectural and renovation costs for the North Branch Library. The architect has completed the design and determined total estimated renovation costs for the North Branch Library is \$800,000. Additional funding in the amount of \$470,390 is needed to complete the North Branch Library. CDBG funds from completed projects are available to complete the project. The total project cost, (including Head Start) is \$1,040,000. Head Start will provide non-City funds up to \$240,000 to complete renovation of their space.

Motion -- carried

Knight moved that the budget be approved. Motion carried 6 to 0. (Martz absent)

(Addendum Item 28g)

## BUDGET

### PARK AND RECREATION BUDGET ADJUSTMENT.

Agenda Report No. 01-1492.

Though the Park Department budget as a whole is adequate to satisfy all projected expenses in 2001, there are areas within the budget that are under funded, most notably the Park Maintenance Division.

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On May 9, 2000, the City Council approved a substantial structural reorganization of the Park Department to enhance the efficient delivery of Park services. The 2001 Budget was designed to incorporate the reorganization, including the establishment of additional cost centers for financial reporting purposes; however, in the transition many costs were inappropriately budgeted and are misaligned with actual expenditure needs. The contractual budget for Park Maintenance is projected to be \$111,000 short of projected actual expenditures. Other areas of Park, e.g., Park Recreation, contain appropriations in excess of projected expenditure needs and these appropriations could and should be moved to reflect the Department's actual expenditure needs for 2001. These shifts will be noted and future budgets, including the 2002 revised budget, will be adjusted to incorporate the appropriation corrections.

Subsequent to the 2001 Revised Budget, staff discovered that several operational costs had been misaligned within Park cost centers. Items include fleet charges and utility costs, which will be transferred from Park Recreation Division to Park Maintenance cost centers. The total amount requested for this Budget Adjustment is \$111,000.

The 2001 Revised Budget for Park includes sufficient funds to offset the unbudgeted fleet charges and the increased utility costs. Under expenditures in other Park Department areas are available to offset the increased contractual costs.

Budget transfers/adjustments in excess of \$10,000 require City Council approval.

Motion -- carried

Knight moved that the budget be approved. Motion carried 6 to 0. (Martz absent)

(Addendum Item 28h)

## **BUDGET ADJUSTMENT – OLD TOWN CINEMA PROJECT.**

Agenda Report No. 01-1493.

On December 19, 2000, the City Council approved a development agreement with Cinema Old Town, L.L.C. for the development of a six-screen Cineplex and related developments to be constructed in the Old Town area. The City Council approved a total City funding package of \$9.3 million for land acquisition and construction of a public parking structure, a public plaza area and streetscape improvements. On February 6, 2001, the City Council amended the Development Agreement to increase the maximum amount that the City is obligated to spend on real property acquisition to \$1.7 million, without increasing the City's aggregate financial obligations in the project.

In addition to the property to be acquired by the City as part of the Old Town Cinema project, the Developer is responsible for acquiring certain parcels upon which the privately owned portions of the project are to be constructed, including the Cineplex and two free-standing retail/office commercial buildings. All land needed for the privately funded developments have been acquired, with the exception of one parcel for which agreement could not be reached. The Developer negotiated an exchange of property that resulted in an additional cost of \$135,000. In order to avoid the need to use condemnation to acquire the hold-out property, the City has been asked to split the additional cost with the Developer

The development agreement limits the amount of City funds that can be spent on land acquisition to \$1.7 million. In order to permit the completion of land assemblage for the project, it is requested that this amount be increased by \$67,500, without increasing the overall City funding authority above the current amount of \$9.3 million. This will have the effect of transferring \$67,500 from the construction budget to land acquisition. The Developer has provided the City with assurances that the transfer can be accommodated without negatively impacting the project.

There are no financial considerations.

Motion --

-- carried

Knight moved that the transfer of funds within the Old Town Cinema Project budget from construction cost to property acquisition cost be authorized. Motion carried 6 to 0. (Martz absent)

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## C&D LANDFILL

### K-96/HILLSIDE C&D LANDFILL – ENGINEERING SERVICES. (District I)

Agenda Report 01-1459-1

The City owns a tract of land generally located west of Hillside Avenue and south of K-96 Highway. This site has been used for many years for the recycling of asphalt, concrete, and soil. The City now seeks to utilize this site for periodic disposal of storm related waste.

The Agreement will provide for required engineering services to include the design and permitting of this site as a construction and demolition waste landfill area. Burns and Mc Donnell are recommended as the consulting engineer for this project based on their past solid waste work for the City and because they were the consulting engineers on the Brooks C&D landfill (under agreement to our contractor, Herzog Environmental).

The Agreement provides for the City to pay the consultant on a per hour basis and for actual expenses incurred in the provision of the scope of this work. The Agreement further provides that the total compensation for the scope of work shall not exceed \$37,900. These funds are available in the C&D landfill budget contingency.

The City must acquire a permit from the State of Kansas for the operation of a construction and demolition waste landfill for this site before it can be used for disposal of this type of waste.

Motion --  
-- carried

Knight moved that the Agreement be approved; and the budget transfers and necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## KELLOGG FENCING

### KELLOGG FENCING – POPLAR TO CHAUTAUQUA. (District I)

Agenda Report No. 01-1460.

The chain link right-of-way fencing currently in place on the north side of Kellogg from Poplar to Chautauqua is in a state of disrepair and needs replacement. This fencing was originally constructed with the Kellogg improvements in the 1970's and over time has been damaged by vehicles and mowers. It has become unsightly and is a blight on the highway appearance.

Under the Connecting link Agreement between the City and the Kansas Department of Transportation, the City is responsible for maintenance of the Kellogg right-of-way fencing. Recent freeway improvements on Kellogg have utilized either black-coated chain link fencing or wrought iron fencing for right-of-way fence. This half-mile section of fence is highly visible both from the Kellogg freeway and from the adjoining neighborhood streets. A portion of the fencing was replaced earlier this year by a new private development at Kellogg and Hillside, utilizing black wrought iron fencing. Replacing the remainder of the fencing with matching wrought iron is recommended.

The cost of this project is estimated to be approximately \$40,000, which is available for transfer to a project budget from the 2001 Street Maintenance Operating Budget.

Budget Adjustments over \$10,000 require City Council approval.

Motion -- carried

Knight moved that the budget be approved. Motion carried 6 to 0. (Martz absent)

## BIKE PATH

### BIKE PATH ALONG ZOO BOULEVARD FROM CENTRAL TO WESTDALE AND PEDESTRIAN BRIDGE OVER THE BIG DITCH AT ZOO BOULEVARD. (Districts V and VI)

Agenda Report No. 01-1461.

On January 11, 2000, the City and the Kansas Department of Transportation (KDOT) entered into an Agreement to construct a bikepath along Zoo Boulevard, from Central to Westdale, and a pedestrian bridge over the Big Ditch at Zoo Boulevard. It is expected that the County will participate in funding for the pedestrian bridge and administer the construction contract.

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The proposed bikepath will extend along the easterly side of Zoo Boulevard from Central to Westdale, under I-235, then westerly under the Zoo Boulevard Bridge to the pedestrian bridge to be built over the Big Ditch. Professional Engineering Consultants (PEC) was previously selected to prepare construction plans. A Supplemental Design Agreement has been prepared to meet KDOT design requirements and for signal modifications at Westdale.

The estimated bikepath cost is \$750,000, with \$250,000 paid by the City and \$500,000 by KDOT. The estimated pedestrian bridge cost is \$850,000, with \$125,000 paid by the City, \$125,000 paid by the County and \$600,000 by KDOT. The PEC supplemental design fee is \$24,301.

Motion --  
-- carried

Knight moved that the projects and Agreements be approved; the Resolutions be adopted; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## RESOLUTION NO. 01-524

A Resolution finding it necessary to make certain improvements to construct a bike path along Zoo Boulevard, from Central Avenue to Westdale Street, Project Number 472-83442, and authorizing the issuance of Bonds by the City of Wichita at Large, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

## RESOLUTION NO. 01-525

A Resolution finding it necessary to make certain improvement to construct a pedestrian bridge over the Wichita-Valley Center Floodway at Zoo Boulevard Project Number 472-83450 and authorizing the issuance of Bonds by the City of Wichita at large, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

## **CITY HALL TUNNEL CITY HALL TUNNEL SECURITY MODIFICATIONS.**

Agenda Report No. 01-1462.

A Security Committee, led by the City Manager's Office and comprised of staff from Police, Public Works, and Finance (including Information Technology), have been working to identify additional security needs at City of Wichita facilities.

One of the needs identified by the Committee is a need for increased security in the tunnel underneath the City Hall Annex. Physical barriers are needed to provide access control to the tunnel area. After evaluating several alternatives, the Committee is recommending bollards that can be raised and lowered to selectively allow vehicular access to the tunnel.

Purchase and installation of the bollards is estimated to cost about \$88,000. Funds are available in the Safety account in the Employee Training Fund. However, the funds must be reserved in a project account in order to be available in January for the tunnel security project.

Budget transfers over \$10,000 require City Council approval.

Motion --  
-- carried

Knight moved that the tunnel security improvement be approved and the transfer of funds be authorized. Motion carried 6 to 0. (Martz absent)

## **WATER MAIN**

## **INSTALLATION OF WATER MAIN IN WOODROW FROM FRIAR LANE TO 39TH STREET NORTH.**

Agenda Report No. 01-1463.

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On May 15, 2001, the City Council approved the installation of a water main along Woodrow from Friar Lane to 39th Street North. The project was one of several water system improvements recommended by the Water System Master Plan that was completed in November 1999. The project will provide support for the northerly portion of the City's water system.

The project design has been completed and the project is ready for bid letting.

The Capital Improvement Program project (CIP # W-824) budget is \$30,000 for 2001 and is the allowance for the project design costs. The construction estimate for the project is \$150,000 making a total for the project of \$180,000. A budget adjustment is required in order to proceed with construction. Funds in the amount of \$150,000 can be transferred from CIP W-65 (Unidentified Mains) to CIP W-824 (Woodrow, Friar Lane to 39th St. N.), so there will be no increase in the 2001 CIP budget. The project will be funded from Water Utility revenues and reserves or a future revenue bond issue.

City Council approval is required for a Budget Adjustment.

Motion -- Knight moved that the CIP transfer of funds be authorized. Motion carried 6 to 0. (Martz absent)

## **HESS PUMP STATION PUBLIC EXIGENCY PROJECT – HESS PUMP STATION MOTOR REPLACEMENTS.**

Agenda Report No. 01-1464.

The Hess Pump Station is a vital component of the City's water supply system. Each pump is powered by an 1,850 horsepower electric motor. Two of the motors are currently out of service. The motors have been examined and it has been determined that they are burned out and cannot be repaired and returned to service.

In 1995 seven of the original pumps in the Hess Pump Station were replaced. The new pumps require the motors to work harder. General Electric performed an analysis of the motors and recommended an upgrade from 1,850 hp to 2,000 hp. They advised that the existing motors are already maximized and there is nothing that can be done to increase their capacity.

The engineers working on a current project to automate the operation of the pumps have recommended that two variable speed pumps be on line the majority of the time. This will provide smoother transition between various system demands and optimize energy consumption. At the present time, there are two variable speed pumps in the pump station; however, to implement their recommendation, the pump station should have a third variable speed pump. It is estimated that it will cost approximately \$160,000 to replace a constant speed motor and approximately \$500,000 to replace a constant speed motor with a variable speed motor.

The City Manager approved the acquisition of engineering services needed to complete this project due to the importance of the Hess Pump Station and because of the extensive lead time needed to acquire new motors. The project will include services to replace one constant speed motor and to replace the other motor with a variable speed motor. Black and Veatch, the firm who designed the Hess Pump Station and the installation of the newest variable speed pump at Hess, will provide the required engineering services for the design of the replacement motors and variable speed drive for \$70,000.

Funding for this project is available from unexpended funds in CIP W-390 due to decrease in the scope of the E&S Well Rehabilitation project. We are requesting to modify the CIP by transferring \$700,000 from W-390 to a new project, W-902, Hess Motor Replacements.

City Ordinance 2.64.020, "Public Exigency," authorizes the City Manager to approve work to be performed by a contractor without formal bidding. City Council approval is required to modify the CIP and for projects that exceed \$10,000.

Motion -- Knight moved that the City Manager's Public Exigency approval be affirmed; the modification of the CIP be approved; and the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

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## RESOLUTION NO. 01-526

A Resolution of the City of Wichita, Kansas declaring it necessary to construct, reconstruct, alter, improve, extend and enlarge the water and sewer utility owned and operated by the City, and to issue Revenue Bonds in a total principal amount which not exceed \$700,000, exclusive of financing costs, for the purpose of paying certain costs thereof, and providing for the giving of notice of such intention in the manner required by law, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

### **SANITARY SEWER      RECONSTRUCTION AND/OR REHABILITATION OF SANITARY SEWERS.**

Agenda Report No. 01-1465.

The Sewer Maintenance Division of the Water & Sewer Department maintains the sanitary sewer system. Preventive maintenance includes the use of closed circuit cameras in evaluating the older sewer lines. The sewer lines that are in the worst condition are scheduled for reconstruction or rehabilitation.

The reconstruction and rehabilitation of sanitary sewers helps to eliminate stoppages, backups, failures, and reduces inflow and infiltration (I&I) into the system. Maintenance costs are reduced, as well as inconvenience to customers.

This project is included in CIP #S-4, Reconstruction of Old Sanitary Sewers, and has a budget of \$3,500,000 for 2002. The project will be funded from future revenue bonds and/or Water Utility cash reserves.

Motion --  
-- carried

Knight moved that the project expenditures for 2002 be approved and the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

## RESOLUTION NO. 01-527

A Resolution of the City of Wichita, Kansas declaring it necessary to construct, reconstruct, alter, improve, extend and enlarge the water and sewer utility owned and operated by the City, and to issue Revenue Bonds in a total principal amount which not exceed \$3,500,000, exclusive of financing costs, for the purpose of paying certain costs thereof, and providing for the giving of notice of such intention in the manner required by law, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

### **SANITARY SEWER      REPLACEMENT OF EXISTING SANITARY SEWER SYSTEM IN PLANEVIEW. (District III)**

Agenda Report No.01-

The Planeview area was developed by the federal government in the early 1940s to provide temporary housing to aircraft workers during World War II. After the war, the federal government sold the properties to individuals for residential housing and the City annexed Planeview in 1955. The area's sewer system was not constructed to meet permanent utility standards. Sewer mains were sized too small and manholes were not constructed to provide sufficient access for emergency or routine maintenance. Although Planeview comprises less than 2% of the entire sewer system, approximately 15% of the total system stoppages occur in this area.

Capital Improvement Program, Planeview Sewer Reconstruction (CIP #S-331), has a budget of \$500,000 for 2002 and will be funded from Sewer Utility revenues and reserves and/or a future revenue bond issue.

Motion --  
-- carried

Knight moved that the project expenditures for 2002 be approved and the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

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## RESOLUTION NO. 01-528

A Resolution of the City of Wichita, Kansas declaring it necessary to construct, reconstruct, alter, improve, extend and enlarge the water and sewer utility owned and operated by the City, and to issue Revenue Bonds in a total principal amount which not exceed \$500,000 exclusive of financing costs, for the purpose of paying certain costs thereof, and providing for the giving of notice of such intention in the manner required by law, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

### WATER MAINS

#### WATER MAINS FOR FUTURE DEVELOPMENT.

Agenda Report No. 01-1467.

This project is included in the ten-year Capital Improvement Program and provides for the City's share in funding major water main extensions to serve future developments and newly annexed areas.

The Water Master Plan indicates the need to extend the water distribution system wherever future growth and development is occurring. These projects are identified when a petition for water system extensions is received. The Water Utility pays for links and over-sizing of the water system in developments. Funds are also used to design and relocate water mains for future Public Works projects.

Water Mains for Future Development (CIP #W-65) has a budget of \$3,000,000 in 2002 and will be funded from future revenue bonds and/or Water Utility cash reserves.

Motion --  
-- carried

Knight moved that the project expenditures for 2002 be approved and the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

## RESOLUTION NO. 01-529

A Resolution of the City of Wichita, Kansas declaring it necessary to construct, reconstruct, alter, improve, extend and enlarge the water and sewer utility owned and operated by the City, and to issue Revenue Bonds in a total principal amount which not exceed \$3,000,000, exclusive of financing costs, for the purpose of paying certain costs thereof, and providing for the giving of notice of such intention in the manner required by law, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

### PROPERTY ACQ.

#### ACQUISITION OF 1651 EAST 13TH STREET. (District I)

Agenda Report No. 01-1468.

In January of 2000, the City Council approved an ordinance declaring 13th Street at Hydraulic to be a major traffic way (2000 Intersection Improvement Program) 472-83184. The improvement plan calls for the partial acquisition of 66.50 square feet at the corner of Hydraulic and 13th. Total Petroleum Incorporated owns this corner.

The site is improved with a convenience and gas store. No improvements will be impacted by this project. A negotiated value of \$600 has been agreed to by the owner for the partial acquisition.

The Council resolution approved \$95,000 in general obligation bonds for this project. A budget of \$1,100 is requested. This includes \$600 for the acquisition, and \$500 for closing costs and title insurance.

Motion --  
-- carried

Knight moved that the budget and the Contract be approved; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

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## PROPERTY DISP.

### PROPERTY DISPOSITION – 11211 EAST KELLOGG. (District II)

Agenda Report No. 01-1469.

In October 1998, staff was instructed to pursue purchases on an opportunity basis or to prevent development in the proposed development corridor. The property at 11211 East Kellogg is developed as a franchised automobile dealership. The proposed expansion of East Kellogg will require the north eighty feet of the site. In 2000, the owners of 11211 East Kellogg presented plans to construct a new dealership building in the proposed right-of-way. To prevent this, the City acquired the site through negotiation with the owner leasing the site back from the City. The owner subsequently acquired additional land to the south and attempted to secure financing for the expansion. Financing was not available for the expansion as the expansion site included part of the leased site. To allow the expansion, the owner has offered to buy that part of the site not needed for Kellogg expansion from the City.

The owner has offered \$2,700,000 for the site. The property, net of the right-of-way, was appraised for \$2,555,000. Terms call for interest only payments of \$20,000 per month for 24 months then 60 payments of \$20,933.07 per month with a final payment of \$2,328,929. This equates to a 20-year, 7.0% loan.

The City will receive cash consideration from the sale of the property at closing.

Motion --  
-- carried

Knight moved that the sale and Contract be approved; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## CONDEMNATIONS

### REPAIR OR REMOVAL OF DANGEROUS AND UNSAFE STRUCTURES.

Agenda Report No. 01-1470.

On December 3, 2001 the Board of Code Standards (BCSA) held a hearing on the following three (3) properties. These properties are considered dangerous and unsafe structures, and are being presented to schedule a condemnation hearing before the Governing Body.

Improvement notices have been issued on these structures, however, compliance has not been achieved. Pre-condemnation and formal condemnation letters were issued and the time granted has expired. No action has been taken to repair or remove these properties.

	<u>Address</u>	<u>District</u>
(Item 40-1)	1. 2223 East Shadybrook	I
	2. 131 West 26th North	VI
	3. 1438 South Main	I

These structures have defects that under Ordinance No. 28-251 of the Code of the City of Wichita, shall cause them to be deemed as dangerous and unsafe buildings, as required by State Statute for condemnation consideration.

Motion --  
-- carried

Knight moved that the Resolutions placing Items 2 and 3 on the agenda for a Hearing before the Governing Body on February 5, 2002, at 9:30 a.m., or soon thereafter, be approved. Motion carried 6 to 0. (Martz absent)

### RESOLUTION NO. R-01-521

A Resolution fixing a time and place and providing for notice of a hearing before the Governing Body of the City of Wichita, at which the owner, his agent, lienholders of record and occupants of the structure located on land described as: Lots 41 and 42, North Lawn Addition to Wichita, Sedgwick County, Kansas, known as 131 West 26th North, in said City may appear and show cause why such structure should not be condemned and ordered repaired or demolished as a dangerous or unsafe

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structure, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight.

## RESOLUTION NO. R-01-522

A Resolution fixing a time and place and providing for notice of a hearing before the Governing Body of the City of Wichita, at which the owner, his agent, lienholders of record and occupants of the structure located on land described as: Lots 28 and 30, Main Street, Boston Avenue Addition to Wichita, Sedgwick County, Kansas, known as 1438 South Main, in said City may appear and show cause why such structure should not be condemned and ordered repaired or demolished as a dangerous or unsafe structure, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight.

(Item 40-1 action)

Council Member Brewer Council Member Brewer said he had been in contact with the daughter of the owners. The daughter arrived on December 17<sup>th</sup> to try to take care of the property, and has met with her attorney and a contractor regarding the repairs.

Motion -- Brewer moved that Item 40-1 be deferred 60 days.

Council Member Gale Council Member Gale explained that the recommended action would only set the public hearing on the property. The property could be repaired before the public hearing and would then be removed from consideration.

-- withdrawn Brewer, with consent of the second, withdrew the motion.

Motion -- Knight moved that the Resolution placing Items 1 on the agenda for a Hearing before the Governing Body on February 5, 2002, at 9:30 a.m., or soon thereafter, be approved. Motion carried 6 to 0. (Martz absent)

-- carried

## RESOLUTION NO. R-01-520

A Resolution fixing a time and place and providing for notice of a hearing before the Governing Body of the City of Wichita, at which the owner, his agent, lienholders of record and occupants of the structure located on land described as: Lot 5, Block 4, Builders First Addition to Wichita, Sedgwick County, Kansas, known as 2223 East Shadybrook in said City may appear and show cause why such structure should not be condemned and ordered repaired or demolished as a dangerous or unsafe structure, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

## **PARK RENOVATIONS PARK FACILITIES RENOVATION.**

Agenda Report No. 01-1471.

The Park and Recreation Department has a number of existing facilities and park amenities that are aging and in need of renovation.

The 2002 Park Capital Improvement Program (CIP) includes funding for the renovation of park facilities. Renovation will protect the City's investment in these facilities, making them functional and aesthetically attractive to citizen users. Preliminary plans call for Lincoln Park irrigation improvements, renovation of the Sim Park gateway, demolition of selected outdated features/facilities, replacement fencing at various athletics venues, and replacement and installation of grills, tables, benches, and bleachers at numerous sites.

The 2002 Park CIP includes \$400,000 for the renovation of park facilities. The funding source is general obligation bonds.

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Motion --  
-- carried

Knight moved that the project be approved; the Resolution be adopted; and the necessary signatures be authorized. Motion carried 7 to 0.

## RESOLUTION NO. 01-530

A Resolution authorizing the issuance of Bonds by the City of Wichita at large for the renovation of various park facilities, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

## PARK EQUIPMENT

### PARK PLAYGROUND EQUIPMENT MATCHING PROGRAM.

Agenda Report No. 01-1472.

The City's capital improvement program (CIP) contains an ongoing project to install playground equipment in various parks in the community. On August 28, 1998, the City Council approved funding in the amount of \$40,000.

Donations (matching funds) have been received from the Sherwood Glen Neighborhood Association in the amount of \$3,501 to purchase additional playground equipment. An amending resolution has been prepared to incorporate these and anticipated future donations into the project budget.

The original budget was \$40,000, with the total funded from General Obligation bonds. The new budget is \$45,000, with \$40,000 funded by General Obligation bonds and \$5,000 to be funded by private donations.

Motion -- carried

Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

## RESOLUTION NO. 01-531

A Resolution amending Resolution NO. R-99-507 of the City of Wichita, Kansas, authorizing improvements to various City Parks, pursuant to Findings of Advisability made by the Governing Body of the City of Wichita, Kansas, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

## SWIMMING POOL

### SWIMMING POOL IMPROVEMENTS.

Agenda Report No. 01-1473.

The 2002 Park and Recreation CIP will provide funding for improvements to various swimming pools across the city on a periodic, as-needed basis.

The Park and Recreation Department maintains and operates twelve (12) municipal pools within the City's park system. Annual maintenance includes sandblasting, repainting, and leak repair of pool shells, replacement of ladders and diving boards, and other items necessary to keep the pools aesthetically attractive and safe for the public's use.

Pools tentatively identified for improvements in 2002 include Minisa, Evergreen, and Boston.

Funding in the amount of \$100,000 will be available within the City's 2002 capital improvement budget to fund the improvements. The source of funding is General Obligation bonds.

Motion --  
-- carried

Knight moved that initiation of the project be authorized and the Resolution be adopted. Motion carried 6 to 0. (Martz absent).

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RESOLUTION NO. 01-532

A Resolution authorizing the issuance of Bonds by the City of Wichita at large for the renovation of various park facilities, presented. Knight moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

NIC

## NORTH INDUSTRIAL CORRIDOR BOUNDARY AMENDMENT.

This Item was pulled from the Agenda.

(Addendum Item 44A)

## **CHAUCER ESTATES     IRB PURCHASE OPTION – CHAUCER ESTATES, LLC.**

Agenda Report No. 01-1494.

On December 10, 1996, the City Council authorized the issuance of Assisted Care and Independent Living Facility Revenue Bonds in an amount of \$6.5 million to Chaucer Estates, L.L.C. The Bonds were used to finance the construction and equipping of Chaucer Estates, an assisted living facility located east of Webb Road on 21st Street North in northeast Wichita. In order to reduce debt service requirements, Chaucer Estates, L.L.C. wishes to refinance the bonds with a conventional mortgage loan insured by the U.S. Department of Housing and Urban Development (HUD). In order to facilitate the refinancing, it is necessary for Chaucer Estates to call the bonds and exercise its option to purchase the bond-financed property from the City. In addition, the conventional lender has requested an amendment to one of the bond documents that will survive the bond call.

Under the provisions of Sections 17.1 and 17.2 of the Lease Agreement for Series VIII, 1996 Bonds, Chaucer Estates, L.L.C., the Tenant, has the option to purchase the facility from the City of Wichita for \$1,000 once all outstanding bonds have been paid. At the same time, upon receipt of Trustee certification that the bonds have been paid, the City will deliver the instruments needed to deed the bond financed property back to Chaucer Estates and terminate the IRB lease. The City has already received payment of the \$1,000 purchase option price.

The 1996 Bonds were issued as tax-exempt bonds under a federal tax code provision concerning the financing of qualified residential rental projects which requires that a prescribed number of the units in the project be leased to tenants who meet certain income requirements. This requirement is set forth in a separate Land Use Restriction Agreement, which provisions continue in effect for at least 15 years, regardless of whether the tax-exempt bonds continue to be outstanding. As a condition of providing its mortgage insurance, HUD requires that this agreement be amended to give the HUD-backed mortgage provisions precedence over the land use restrictions.

A first draft of the proposed amendment was received by the City's Law Department within the last week, not allowing enough time for review prior to approval by the City Council. Because of the short time available to close the refinancing transaction before the end of the year, staff proposes that the City Attorney be authorized to give final approval of the amendment to the Land Use Restriction Agreement prior to delivery of documents needed to close the transaction.

The purchase price is \$1,000 and other considerations as listed under the provision of the Lease Agreement including all payments necessary to redeem and retire all outstanding bonds. This price includes without limitations, the payment of all outstanding principal, interest, and all other expenses of redemption, and trustee fees, after the deduction of any amounts provided for in the Lease Agreement and available for such redemption.

The City is contractually bound to convey the IRB Project property to the Tenant by special warranty deed, once all the conditions established in the Lease have been met. The City Attorney's Office will approve the form of the Resolution, Special Warranty Deed, Bill of Sale, Termination of Lease and Termination of Financing Statements prior to delivery of documents. The Land Use Restriction

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Agreement was authorized by ordinance at the time the 1996 Bonds were authorized. Accordingly, any amendment of the Land Use Restriction Agreement must be authorized by ordinance.

Motion --

Knight moved that the Declaration of Emergency be approved and the necessary signatures be authorized; the Ordinance be placed on its passage and adopted on the date of its introduction, all in accordance with K.S.A. 12-3001; the Resolution approving the Special Warranty Deed, Bill of Sale, Termination of Lease Agreement and Termination of Financing Statements, with delivery contingent upon satisfaction of all conditions for reconveyance under the lease, be adopted, . Motion carried 6 to 0. (Martz absent)

--carried

## RESOLUTION NO. 01-533

A Resolution authorizing the City of Wichita, Kansas, to convey certain real property to Chaucer Estates, L.L.C. and prescribing the form of and authorizing the execution and delivery of certain documents in connection therewith, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

## ORDINANCE NO. 45-178

An Ordinance of the City of Wichita, Kansas, approving an amendment to the Land Use Restriction Agreement executed in connection with the issuance by the City of its Assisted Care and Independent Living Facility Revenue Bonds, Series IX, 1996 (Chaucer Estates, L.L.C.). Knight moved that the Ordinance be placed on its passage and adopted on the date of its introduction, all in accordance with K.S.A. 12-3001. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

## FOREST RIDGE

### FOREST RIDGE ESTATES ZONING CHANGE.

Agenda Report No. 01

A new subdivision known as Forrest Ridge Estates has submitted a plat allowing 76 lots on an 80 acre tract located in the south half of the Northwest quarter of Section 18, Township 25 South, Range 1 West, Sedgwick County, approximately 1.6 miles southeast of the City of Bentley. The proposed development would allow each lot to have individual water supply wells and septic systems consisting of a septic tank and lateral field. The proposed site overlays the Equus Beds aquifer, the principal source of freshwater for the site area as well as for a four county area in south-central Kansas, including the City of Wichita. Additionally, three of the City of Wichita's public water supplies are located within one mile of the proposed subdivision.

The proposed Forrest Ridge Estates subdivision is designed to allow the use of septic systems which are an effective way to remove heavy materials and bacteria from wastewater, but such systems do not effectively remove nitrates, chlorides, domestic solvents and other chemicals. Given the relatively high groundwater levels, and the dense concentration of septic systems proposed for this development, there is an almost certain risk that these chemicals will migrate into the groundwater. Such migration could pose a real threat to the City's water supply.

Another problem associated with this development is the use of water supply wells. It is estimated that collectively these wells will use 12.5 million gallons of water per year which will reduce the amount of the water in the aquifer available to other existing water rights, including the City of Wichita water supply wells.

Because of the potential threat for groundwater pollution from the dense septic tank spacing proposed for this development, and its potential impact on diminishing water quantity in the aquifer and thus impacting City of Wichita water supply wells, staff is recommending opposition to the Forrest Ridge Estates plat and the proposed zoning changes associated with the reduction in the lot size within the development.

There are no financial considerations.

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Motion -- carried

Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

## RESOLUTION NO. 01-534

A Resolution of opposition to the Forrest Ridge Estates Addition Protection of the Environmental Resources of the City of Wichita, Kansas, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

## CORP. BOUNDARIES 2001CITY OF WICHITA BOUNDARY RESOLUTION.

Agenda Report No. 01-1476.

The City of Wichita is required by Kansas State law to annually prepare a description of the corporate boundaries. The law requires that the description shall define the boundaries after incorporating all changes made through annexation or exclusions of territory since December 19, 2000.

During calendar year 2001, the City of Wichita approved a total of twenty-four (24) annexations, with four (4) of these being unilateral. One unilateral annexation was initiated in 1999 and approved in 2000. Additionally, one unilateral annexation has been initiated in 2001 that will be completed by the Wichita City Council in the year 2002, and therefore, is not included in the 2001 perimeter resolution.

City Engineering staff has prepared a legal description of all territory annexed into the City of Wichita during 2001.

K.S.A. 12-517 requires that for any year in which any territory has been added or excluded from any city, the governing body of such city shall declare, by resolution, the entire boundary of the City.

Motion -- carried

Knight moved that the Resolution be adopted. Motion carried 6 to 0. (Martz absent)

## RESOLUTION NO. 01-535.

A Resolution declaring, establishing and defining the City Limits and boundaries of the City of Wichita, Kansas, after all annexations of territory and exclusions of territory since December 19, 2000, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

## ORDINANCES

### SECOND READING ORDINANCES: (FIRST READ DECEMBER 11, 2001)

a) Charter Ordinance Amendments - pawnbrokers, secondhand dealers, and precious metal dealers.

#### CHARTER ORDINANCE NO. 192

A Charter Ordinance exempting the City of Wichita, Kansas, from the provisions of K.S.A. 16-706; 16-707; 16-708; 16-709; 16-710; 16-711; 16-712; 16-713; 16-714; 16-715; 16-716; 16-717; 16-718; and 16-721 and Amendments thereto and providing substitute and additional provisions on the same subject relating to pawnbrokers and pawn-broking businesses; secondhand dealers and precious metal dealers, providing for licensing thereof, prohibiting certain acts and declaring violations thereof to be a crime; and repealing the originals of Charter Ordinance No's. 134 and 141.

b) Charter Ordinance - Police and Fire Retirement System Organize Reorganization and Revisions to re-implement Economic Growth and Tax Relief Reconciliation Action 2001 (EGTRRA) Provisions.

#### CHARTER ORDINANCE NO. 193

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An Charter Ordinance of the City of Wichita, Kansas, amending Charter Ordinances No. 131, No. 161, No. 176, No. 180 and No. 184, related to the Police and Fire Retirement System of the City of Wichita and repealing the originals of said Charter Ordinances.

- c) Industrial Revenue Bonds – Bombardier Learjet. (District V)

## ORDINANCE NO. 45-154

An Ordinance authorizing the City of Wichita, Kansas, to issue its Taxable Industrial Revenue Bonds in the aggregate principal amount not to exceed \$21,600,000 for the purpose of providing funds to purchase, acquire, construct and equip improvements and additions to certain existing facilities located in the City of Wichita, Kansas; prescribing the form and authorizing execution of a Fifth Supplemental Trust Indenture by and between the City and Intrust Bank, N.A., Wichita, Kansas, as Trustee with respect to the Bonds; prescribing the form and authorizing the execution of a Fifth Supplemental Lease Agreement by and between Learjet Inc. and the City; approving the form of a Guaranty Agreement; and authorizing the execution of a Bond Purchase Agreement by and between the City and Learjet Inc., as purchaser of the bonds, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- d) Establishing Redevelopment District Tax Increment Financing for Old Town Cinema II Project. (District VI)

## ORDINANCE NO. 45-157

An Ordinance of the City of Wichita removing property from the Old Town Cinema Redevelopment District. read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- e) Industrial Revenue Bonds – Cessna Aircraft Company. (Districts III and V)

## ORDINANCE NO. 45-152

An Ordinance authorizing the City of Wichita, Kansas, to issue its Taxable Industrial Revenue Bonds, Series XIII, 2001 (Cessna Aircraft Company), in the aggregate principal amount of not to exceed \$105,000,000 for the purpose of purchasing, acquiring, constructing and installing an Industrial and Commercial Facility; authorizing execution of an Eleventh Supplemental Trust Indenture by and between the City and Intrust Bank, N.A., Wichita, Kansas, as Trustee with respect to the Series XIII, 20001 Bonds; authorizing the City to lease said project to Cessna Aircraft Company; authorizing the execution of an Eleventh Supplemental Lease by and between the City and Cessna Aircraft Company; authorizing the execution of a Bond Purchase Agreement by and between the City and Cessna Aircraft Company, as purchaser of the Bonds; and authorizing execution of a Bill of Sale, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- f) Industrial Revenue Bonds – Cambridge Suites Hotel Expansion. (District I)

## ORDINANCE NO. 45-153

An Ordinance of the City of Wichita, Kansas, authorizing the issuance of \$1,421,000 aggregate principal amount of taxable Industrial Revenue Bonds, Series IV, 2001, (Cambridge Suites Project) for the purpose of providing funds to acquire, construct and equip an expansion to an existing commercial facility; prescribing the form and authorizing execution of a Trust Indenture by and between the City and Central Bank and Trust Co., Wichita, Kansas, N.A., as Trustee with respect to the Bonds; prescribing the form and authorizing the execution of a Lease Agreement by and between the City and Wichita Residence, a General Partnership; approving the form of Guaranty Agreement between Wichita Residence, a General Partnership, as Guarantor and Central Bank and Trust Co., Wichita, Kansas, as Trustee; approving the form of individual limited Guaranty Agreement between Jack P. Deboer, as

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individual limited guarantor and Central Bank and Trust Co., Wichita, Kansas, as Trustee; authorizing the execution of a Bond Placement Agreement by and among the City of Wichita, Kansas, Wichita Residence, a General Partnership, Wichita, Kansas and Central Bank and Trust Co., as purchaser of the Bonds, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

g) Industrial Revenue bonds – The Coleman Company, Inc. (District I)

## ORDINANCE NO. 45-156

An Ordinance authorizing the City of Wichita, Kansas, to issue its Taxable Industrial Revenue Bonds, Series XIV, 2001 (The Coleman Company, Inc.) in the aggregate principal amount of not to exceed \$12,200,000.00 for the purpose of providing funds to purchase, acquire, construct and equip improvements and additions to certain existing facilities located in the City of Maize, Kansas and the City of Wichita, Kansas; prescribing the form and authorizing execution of an Eighth Supplemental Trust Indenture by and between the City and BNY Trust Company of Missouri, as Trustee, with respect to the Bonds; prescribing the form and authorizing execution of an Eighth Supplemental Lease Agreement by and between the City and The Coleman Company, Inc; approving the form of a Guaranty Agreement; authorizing the execution of a Bond Purchase Agreement by and between the City, and the Coleman Company, Inc., as purchaser of the Bonds, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

h) Industrial Revenue Bonds – Hall's Culligan Water. (District II)

## ORDINANCE NO. 45-155

An Ordinance of the City of Wichita, Kansas, authorizing the issuance of not to exceed \$3,700,000 Aggregate Principal Amount of Taxable Industrial Revenue Bonds, Series XI, 2001, (CRH Limited Company for the purpose of providing funds to purchase, acquire, construct and equip a commercial and manufacturing facility; prescribing the form and authorizing execution of a Trust Indenture by and between the City and Intrust Bank, N.A., as Trustee with respect to the Bonds; prescribing the form and authorizing the execution of a Lease Agreement by and between the City and CRH Limited Company; approving the form of a Guaranty Agreement; approving the sublease of the project to Wichita Water Conditioning, Inc; authorizing the execution of a Bond Placement Agreement by and between the City, CRH Limited Company, Wichita Water Conditioning, Inc and Intrust Bank, N.A., as purchaser of the Bonds, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

i) Central and Hillside Redevelopment Project Plan. (Districts I and II)

## ORDINANCE NO. 45-158

An Ordinance adopting a Redevelopment Project Plan for the Central and Hillside Redevelopment District, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

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- j) Hillside improvement – Kellogg to Central. (Districts I and II)

## ORDINANCE NO. 45-159

An Ordinance declaring Hillside, from Kellogg to Central, 472-83453, to be a main trafficway within the City of Wichita, Kansas; declaring the necessity of and authorizing certain improvements to said main trafficway; and setting forth the nature of said improvements, the estimated costs thereof, and the manner of payment of same, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- k) Membership qualifications for the Alternative Correctional Housing Advisory Board.

## ORDINANCE NO. 45-160

An Ordinance amending Section 2.12.1150 of the Code of the City of Wichita, Kansas, pertaining to qualifications for members of the Alternative Correctional Housing Advisory Board, and repealing the original thereof, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- l) Deferred Compensation Plan Ordinance Revisions to implement Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) Provisions.

161

## ORDINANCE NO. 45-161

An Ordinance amending Sections 2.30.101, 2.30.110 and 2.30.170 of the Code of the City of Wichita, Kansas, pertaining to the Voluntary Deferred Compensation Plan and repealing the original of said Sections, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- m) Wichita Employees' Retirement System Ordinance Revisions to implement Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) Provisions.

## ORDINANCE NO. 45-162

An Ordinance amending Section 2.28.100 and creating Sections 2.28.400, 2.28.410, 2.28.420 and 2.28.430 of the Code of the City of Wichita, Kansas, pertaining to certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") as it relates to the Wichita Employee's Retirement System, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- n) Telecommunications Franchise – Adelphia Business Solutions.

## ORDINANCE NO. 45-163

An Ordinance granting to Adelphia Business Solutions, its successors and assigns, a franchise and the right to construct, operate, maintain and extend a Telecommunication System in the City of Wichita, Kansas, prescribing the terms of said Grant and relating thereto, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

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- o) Appropriating the 2002 budget; ratifying the payment of all claims against the 2001 budget.

## ORDINANCE NO. 45-164

An Ordinance appropriating the amounts set up in each fund in the budget; providing for the payment of all claims and charges against the accounts provided for therein; and approving and ratifying the payment of all claims against all accounts.

- p) Creation of Department of Environmental Health and Technical Changes to all Ordinances Referencing the Current Structure.

## ORDINANCE NO. 45-165

An Ordinance amending Sections 7.22.010, 7.22.020, 7.22.030, 7.22.050, 7.22.080, 7.22.090, 7.22.110 and 7.22.120 of the Code of the City of Wichita, Kansas, pertaining to food establishments and repealing the originals of said sections, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- q) Modification of enforcement powers for food establishments.

## ORDINANCE NO. 45-166

An Ordinance amending Sections 2.08.120 and 2.08.190 of the Code of the City of Wichita, Kansas, pertaining to the creation and the organization of City Departments and repealing the originals of said Sections, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- r) Sidewalks.

## ORDINANCE NO. 45-167

1. An Ordinance making a special assessment to pay for the improvement of and providing a tax levy for the cost of construction of sidewalks in the City of Wichita, Kansas. (Project 72550)

## ORDINANCE NO. 45-168

- 2) An Ordinance making a special assessment to pay for the improvement of and providing a tax levy for the cost of construction of sidewalks in the City of Wichita, Kansas. (Project 72551)

- s) ZON2001-00024 - southeast corner of K-96 and 21st Street North. (District II)

## ORDINANCE NO. 45-169

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, as amended, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight. ZON2001-00024

- t) ZON2001-00060 – north of West 29th Street North, West of North Fairview – 344 West 29th North. (District VI)

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## ORDINANCE NO. 45-170

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, as amended, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight. ZON2001-00060

- u) ZON2001-00063 – Southeast corner of Navajo and Bluff. (District III)

## ORDINANCE NO. 45-171

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, as amended, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight. ZON2001-00063

- v) ZON2001-0064 – northwest corner of Harry and Broadway. (District I)

## ORDINANCE NO. 45-172

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, as amended, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight. ZON2001-00064

- w) ZON2001-00065 – southwest of Meridian/47th Street South Intersection. (District IV)

## ORDINANCE NO. 45-173

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, as amended, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight. ZON2001-00065

- x) HPC2001-00118 – Wichita Register of Historic Places Landmark Designation for Riverview Apartments at 404-408 West Back Bay Boulevard. (District VI)

## ORDINANCE NO. 45-174

An Ordinance designating as a historic landmark certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010 and Section 2.12.1018, as amended, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

- y) A01-20 – Annex Land ½ Mile West of Intersection of 37th Street North and Woodlawn. (District I)

## ORDINANCE NO. 45-175

An Ordinance including and incorporating certain blocks, parcels, pieces, and tracts of land within the limits and boundaries of the City of Wichita, Kansas, and relating thereto, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight. A01-20

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z) DR2001-14 – Street name change from Killenwood to Pine Meadow, and Killenwood Courts to Pine Meadow Court – South of 13th Street North, East of Greenwich. (District II)

## ORDINANCE NO. 45-176

An Ordinance changing the street name of Killenwood and Killenwood Court to Pine Meadow and Pine Meadow Court, adjacent to Lots 1 through 22, Killenwood Pointe Addition, generally located south of 13th Street North, east of Greenwich, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

aa) DR2001-15 – Adjustments to filing fees for development applications.

## ORDINANCE NO. 45-177

An Ordinance amending Sections 2.26.010, 2.26.020 and 2.26.030 of the Code of the City of Wichita, Kansas, pertaining to fees and charges for Planning and Zoning Applications and Proceedings, and repealing the original sections, read for the second time. Knight moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. (Martz absent) Yeas: Brewer, Fearey, Gale, Lambke, Martz, Pisciotte, Knight.

## **SALARY/POSITION      AMENDMENTS TO SALARY & POSITION CLASSIFICATION ORDINANCE**

Agenda Report No. 01-1477.

Throughout the year, the Personnel Office is requested to review various classifications to determine if they are meeting the growing needs of the City and departmental organizations, and are appropriately classified to attract individuals to carry out the City's mission and departmental responsibilities. Some of the positions included in the proposed amendments were discussed and considered in the adopted 2002-2003 budget. Listed are positions recommended to be included, changed or deleted from the 2002 ordinance.

Position Classifications	Classification Ranges
Fleet Services Director	Range 007
Internal Auditor	Range 113
Executive Assistant (CMO)	Range 118
Golf Professional	Range 116
Neighborhood & Community Services Director	Range 114
Capital Improvement Coordinator	Range 111

Reclassifications: Administrative Services Director from Range 005 to 004

Position title deletion: Internal Auditor/Franchise Manager Range 111

Position changes will be financed from departmental budgets, as adopted.

Motion -- Knight moved that the amendments to the Salary and Position Classification be approved; and the Ordinance be placed on first reading. Motion carried 6 to 0. (Martz absent)

## ORDINANCE

An Ordinance establishing position classifications for employees of the City of Wichita and prescribing pay rates by reference to Position Classifications in the Schedule of Pay Ranges repealing Ordinance No. 44-820, introduced and under the rules laid over.

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## PLANNING AGENDA

Marvin Krout, Director of Planning, said Items 48 through 52 could be considered as consent Items.

Motion -- carried

Knight moved that Items 48 through 52 be approved as consent Items. Motion carried 6 to 0. (Martz absent)

S/D 98-79

### S/D 98-79 – PLAT OF NEVILLE WEST ADDITION, NORTHEAST CORNER OF 167TH STREET WEST AND KELLOGG. (District V)

Agenda Report 01-1478.

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (10-0)

A zone change (SCZ-0785) from SF-5, Single-Family Residential to LC, Limited Commercial has been approved by the Sedgwick County Commission for this site subject to platting. Subsequent to the zone change, the site has been annexed by the City.

Petitions, all 100%, have been submitted for sewer and water improvements. A Certificate of Petitions has also been submitted. An off-site utility easement was also required. A cross-lot circulation agreement has been provided in order to assure internal movement between the lots. In order to provide for the ownership and maintenance of the reserves, the applicant has submitted a restrictive covenant. A CUP Certificate was provided identifying the approved CUP and its special conditions for development.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days. Publication of the ordinance should be withheld until such time as the Plat is recorded with the Register of Deeds.

Certificates of Petitions, restrictive covenant, utility easement, CUP Certificate and cross-lot circulation agreement will be recorded with the Register of Deeds.

Motion --

Knight moved that having reviewed the record of hearing before the MAPC and in accordance with Policy No. 10 of the MAPC previously adopted by this Board, and having reviewed the factors contained therein and the factors stated by the MAPC, the recommendation of the MAPC be approved; the Resolutions be adopted; and the SCZ-0785 Ordinance be placed on first reading with publication being withheld until such time as the Plat has been recorded with the Register of Deeds. Motion carried 6 to 0. (Martz absent)

-- carried

## RESOLUTION NO. 01-536

Resolution of findings of advisability and Resolution authorizing construction of Storm Water Drain No. 184, (north of Kellogg, east of 167<sup>th</sup> Street West) 468-83383, in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

## RESOLUTION NO. 01-

Resolution of findings of advisability and Resolution authorizing Lateral 29, Cowskin Interceptor Sewer (north of Kellogg, east of 167<sup>th</sup> Street West) 468-83384, in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

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## ORDINANCE

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, as amended, introduced and under the rules laid over. SCZ-0785

SUB2001-83

**SUB2001-83 – PLAT OF WIREMAN ACRES ADDITION, NORTH OF K-96, WEST OF HILLSIDE.** (District I)

Agenda Report No. 01-1479.

Staff Recommendation: Approve the plat.  
MAPC Recommendation: Approve the plat. (9-2)

This plat is zoned LI, Limited Industrial.

City water is available to serve the site. A bond has been submitted for sewer improvements to be completed as a private project. An access easement has also been provided.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days. The negative Planning Commission votes reflect the Commissioner's concern with access control. Two access openings are permitted; however the south opening is required to be closed upon the construction of a joint opening along the south property line.

The access easement will be recorded with the Register of Deeds.

Motion --  
-- carried

Knight moved that the document and Plat be approved; and the necessary signatures be authorized.  
Motion carried 6 to 0. (Martz absent)

SUB2001-87

**SUB2001-87 – PLAT OF BEELINE ADDITION, NORTHEAST CORNER OF MADISON AND 47TH STREET SOUTH.** (District III)

Agenda Report No. 01-1480.

Staff Recommendation: Approve the plat.  
MAPC Recommendation: Approve the plat. (14-0)

This site is zoned LI, Limited Industrial. A Conditional Use to operate a wrecking salvage yard was approved for the site. Both sanitary sewer and City water are available to serve the site.

The owner and the City agreed to enter into an Agreement regarding a 50-ft sewer easement within the plat regarding drive crossings and emergency access to the sewer lines.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days.

The Agreement will be recorded with the Register of Deeds.

Motion --  
-- carried

Knight moved that the document and Plat be approved; and the necessary signatures be authorized.  
Motion carried 6 to 0. (Martz absent)

SUB2001-115

**SUB2001-115 – PLAT OF WICHITA STOCKYARDS ADDITION, EAST OF BROADWAY, ON THE SOUTH SIDE OF 21ST STREET NORTH.** (District VI)

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Agenda Report No. 01-1481.

Staff Recommendation: Approve the plat.  
MAPC Recommendation: Approve the plat. (11-0)

This plat is zoned GI, General Industrial. Lot 3 has been approved for a Conditional Use (CON 2001-56) for a Day Reporting Center. Municipal services are available to serve the site.

A restrictive covenant has been provided regarding joint access openings. A cross-lot circulation agreement has also been provided in order to assure internal movement between the lots. A drainage agreement has been submitted regarding drainage from 20th Street to Reserve A.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days.

The restrictive covenant, cross-lot circulation agreement, and drainage agreement will be recorded with the Register of Deeds.

Motion --  
-- carried

Knight moved that the document and Plat be approved; and the necessary signatures be authorized.  
Motion carried 6 to 0. (Martz absent)

## ZONING

### **ZONING FOR PROPERTY ZONED LIMITED INDUSTRIAL, GENERALLY LOCATED BETWEEN SECOND AND THIRD STREETS, AND BETWEEN ROCK ISLAND AVENUE AND THE BNSF RAILROAD TRACKS.** (District VI)

Agenda Report No. 01-1482.

Staff Recommendation: Direct MAPC to hold public hearing.

Staff requests the City Council to direct the Metropolitan Area Planning Commission (MAPC) to hold a public hearing to determine the proper zoning for property generally located between 2nd Street and 3rd Street and between Rock Island and the BNSF Railroad tracks. The property is currently zoned "LI" Limited Industrial and is controlled by Cinema Old Town LLC. These properties are located just north of the existing boundary of the "OT-O" Old Town Overlay district, and it appears to be necessary to expand the "Old Town Overlay" district to include this area, to enable the development of this property as contemplated by the agreement between the developer and the City.

If the "OT-O" district or a similar district was to be recommended, the underlying zoning on the subject property would remain "LI" Limited Industrial, but would become subject to specific design, signage and parking requirements. Under the "OT-O" district or a similar district, residential uses, which are not currently permitted by the underlying "LI" zoning, could be permitted on this property.

The development project has been designed assuming that the special flexibility of setback and parking standards in the existing Old Town overlay district will be made available to this property. But more than likely, a special sub-district of the "OT-O" district, with different building, signage, and lighting standards will be needed. This special sub-district of the "OT-O" district will recognize that the project involves new construction, and is designed to project a "high energy" theater/entertainment district.

Motion --  
-- carried

Knight moved that the MAPC be directed to hold a public hearing on the proper zoning for the proposed Old Town theater/entertainment district. Motion carried 6 to 0. (Martz absent).

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(Item 53)

**DR01-13**

## **DR01-13 – AMENDMENTS TO THE COMPREHENSIVE PLAN.**

Marvin Krout

Director of Planning reviewed the Item.

Agenda Report No. 01-1483.

The Planning Commission is required under State statutes (K.S.A. 12-747) to review at least annually, the Wichita-Sedgwick County Comprehensive Plan for needed changes or updating. The Plan was last updated in July of 2000.

In the fall of last year, the City and County established the Comprehensive Plan Citizen Review Committee to review some issues left unresolved at the time of adoption of the Plan update. Their recommendations were submitted to the MAPC in May of this year. In September, staff of the MAPD presented to the MAPC several suggested amendments to the Plan in order to: better address access management issues related to arterial commercial developments; address the appropriateness of locating auto sales lots in residential commercial areas; propose community design principles advocating livable communities and neighborhoods; and, updating the Comprehensive Plan land use guide maps to reflect recent growth and development trends.

In this context, the MAPC reviewed and considered several proposed amendments to the Comprehensive Plan. The six DABs were also given opportunity to consider and comment on these proposed Plan amendments. In October, the MAPC finalized a set of proposed Plan amendments for consideration and gave public notice of same to City and County officials, school district officials, neighboring townships, counties and municipalities and the general public.

On the evening of November 15, 2001, the MAPC held a public hearing to receive public feedback on the finalized set of proposed Plan amendments. Approximately 30 members of the public were in attendance. Five people made presentations to the MAPC. Upon closure of the hearing, the MAPC passed a motion (13-0) adopting all plan amendments as submitted by staff, excepting Vocational Guideline #6. The MAPC then passed a motion (10-3) adopting Locational Guideline #6 without language modifications that were proposed by staff at the hearing.

Locational Guideline #6 as submitted and eventually adopted by the MAPC reads: "6. Commercial uses that are not located in planned centers or nodes (including large freestanding buildings, auto-related and non-retail uses) should be guided to other appropriate areas of similar development". The proposed language for Locational Guideline #6 that was proposed by staff but not adopted by the MAPC reads: "6. Guide auto sales lots and other types of infrequent purchase or non-neighborhood serving commercial uses to areas (existing or planned) containing similar uses, and away from neighborhood commercial areas".

Adoption of these Comprehensive Plan amendments does not obligate the City or the County to make any capital improvements; the plan is only a guide to future decision-making.

State statute requires that a Comprehensive Plan be adopted by a locality and regularly reviewed in order to regulate land subdivisions. The Comprehensive Plan, or amendments to it, must be adopted by the governing body after the local planning commission has held an advertised public hearing and submitted its recommendations. The governing body can adopt the recommended plan amendments by a majority vote, but may only modify recommendations submitted by the MAPC, on first consideration, by a 2/3 vote.

Council Member Fearey

Council Member Fearey said the language for location Guideline No. 6 as proposed by Staff is much more clear than that proposed by MAPC. This language will give Council the firm footing needed when used with car lot zoning, and when that use comes before the Council for a vote. With the proposed Staff language, citizens and the City Council have the control that we all need to work together to guide the future development of our neighborhoods.

Motion --

Fearey moved that Staff be directed to prepare an Ordinance to adopt the amendments with the

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-- carried

language for location Guideline No. 6 as proposed by Staff. Motion. Motion carried 6 to 0.

## AIRPORT AGENDA

Motion -- carried

Knight moved that the Airport Agenda be considered as consent Items. Motion carried 6 to 0. (Martz absent)

## AIRPORT

### ASSIGNMENT OF LEASE AGREEMENT - KOCH INDUSTRIES, INC.

Agenda Report No. 01-1484.

In 1981, Koch Industries, Inc. entered into a 25-year lease arrangement with the Wichita Airport Authority for the construction of a hangar/office, maintenance facility on Wichita Mid-Continent Airport. The financing vehicle used for the construction was Special Facilities Airport Revenue Bonds, which were retired on September 1, 1991. Koch Industries, Inc. ("KII") is undergoing an internal reorganization of its business operations that will result in the assignment of the airport lease from Koch Industries, Inc. to Koch Business Holdings, LLC ("KBH"). KBH is a Delaware limited liability company and is wholly owned by KII. KII plans to assign the lease effective January 1, 2002.

Under the terms of the lease, KII may not assign the lease without the written consent of the Landlord. In addition, KII requests that it be released from its obligations under the lease. KBH has agreed to perform all of KII's obligations under the lease. These terms are outlined in an Assignment and Assumption Agreement, which will be signed by both parties.

The effect of the assignment of the lease will be to make KBH obligated to pay land rent in the amount of \$12,639 per year, effective January 1, 2002.

The approval documents were prepared by the Law Firm of Blackwell Sanders Pepper Martin, LLP.

Motion --

-- carried

Knight moved that the Assignment of Lease be approved; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent)

## AIRPORT

### SCHEDULE OF FEES AND CHARGES – AIRCRAFT USE AT MID-CONTINENT AIRPORT.

Agenda Report No. 01-1485.

Annually the Wichita Airport Authority (WAA) adopts a Schedule of Fees and Charges and a Resolution to establish certain rates for aviation users of Mid-Continent Airport. The fees are calculated to maintain adequate revenue streams that will cover budgeted operating and capital costs incurred to support the related functions.

The landing fee rate calculations are in accordance with the methodology established in the airline/airport use agreement and its application to the adopted budget. Other aviation use fees are set to reflect market price. Rates are established through resolution for those entities that do not hold agreements with the WAA at a higher rate to reflect the lack of fixed commitment.

The landing fee rate for those airlines regularly serving Mid-Continent will increase by 8% to \$1.87/thousand pounds of maximum gross landed weight. This fee is designed to recover airfield costs only and has increased due to security costs and a projected decrease in landed weight. A corresponding landing fee is established by resolution at a rate 50% higher for those airlines who do not normally serve Mid-Continent. The remainder of the use rates proposed are the same as 2001. All of the use rates can be altered at any time should that be necessary to recover costs.

Rates have been developed in accordance with Federal rates and charges regulations.

Motion --

Knight moved that the Schedule of Fees and Charges be approved; and the Resolution be adopted.

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-- carried

Motion carried 6 to 0. (Martz absent).

## RESOLUTION NO. A 01-015

A Resolution of the Wichita Airport Authority adopting and implementing a schedule of fees and charges for scheduled passenger airlines, presented. Knight moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Brewer, Fearey, Gale, Lambke, Pisciotte, Knight. (Martz absent)

### AIRPORT

#### **CONSULTANT SELECTION – AIRPORT MASTER PLAN UPDATE (MID-CONTINENT AND JABARA AIRPORTS), PASSENGER TERMINAL BUILDING, PARKING, AND ENTRANCE ROAD IMPROVEMENTS.**

Agenda Report No. 01-1486.

On September 25, 2001 City Council approved a project to update the Master Plans for Wichita Mid-Continent and Colonel James Jabara Airports. Also included in the project were Passenger Terminal/Concourse improvements, an art plan, signage and lighting improvements, and parking and entrance road improvements for Mid-Continent Airport. Statements of qualification were received on October 19th from six (6) consulting teams. On November 19th a selection committee selected three (3) teams lead by Burns & McDonnell, HNTB, and Schaefer Johnson Cox Frey Architecture to interview.

On December 10, 2001 the selection committee interviewed teams lead by Burns & McDonnell, HNTB, and Schaefer Johnson Cox Frey Architecture. The team lead by HNTB was selected to provide consulting services. In addition to HNTB, the team consists of the following members: Gossen Livingston Associates; Coffman Associates, Inc.; Professional Engineering Consultants, PA; Dudley Williams & Associates; Hanscomb; Paley Studios, LTD; Greteman Group; Coffeen Fricke; Ross & Baruzzini, Inc.; Landworks Studio; Derek Porter Studios; Blevins and Bradbury; FSC; and Pavement Consultants, Inc.

The project will be funded with airport revenues, G.O. bonds, FAA grants, and Passenger Facility Charge (PFC) funds. The amount eligible for grant and PFC funding will be determined once the study and schematic design is complete.

Contracts will be presented to the Law Department for approval as they are developed.

Motion --  
-- carried

Knight moved that selection of consultant be approved; Staff be authorized to negotiate Contracts; and the necessary signatures be authorized. Motion carried 6 to 0. (Martz absent).

### AIRPORT

#### **LETTER OF INTENT FOR INDUSTRIAL REVENUE BONDS – FLIGHTSAFETY INTERNATIONAL.** (District V)

Agenda Report No. 01-1487.

In May of 1991, the City Council approved the issuance of \$11,170,000 million for Industrial Revenue Bonds to FlightSafety International for the construction of a building addition to their existing facilities and the purchase of additional machinery. FlightSafety was also granted 100 percent tax abatement on the bond issue, for a five-year period plus a second five-year period based on Council review. On September 29, 1998, City Council approved issuance of a Letter of Intent in an amount not-to-exceed \$17 million for Industrial Revenue Bonds to FlightSafety International, and issued \$26,170,000 for Adjustable Mode Airport Facility Refunding and Improvement Revenue Bonds in March 1999. The bonds were used to construct a building addition and purchase seven new flight simulators for use in FlightSafety Training Centers located at 1851 Airport Road (Cessna Citation Facility) and Two Learjet Way (Learjet Facility).

FlightSafety International (FlightSafety) is now requesting the issuance of a Letter of Intent for Special Airport Facilities Revenue Bonds in an amount not to exceed \$2.5 million. The bond proceeds will be

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used to construct a building expansion at the FlightSafety International Training Center located at 1851-1951 Airport Road.

FlightSafety International, Inc. was organized in 1951, and purchased by Berkshire Hathaway Inc., in December 1996. FlightSafety provides training for operators of aircraft and ships. Training activities include advanced training of pilots, air traffic control procedures and new aviation developments. Training is provided both in the private (Cessna, Learjet, Raytheon) and public sectors (U.S. Air Force and U.S. Navy). In addition to aircraft training, FlightSafety provides necessary training to allow pilots to obtain licenses for operation of large oceangoing vessels. FlightSafety also offers maintenance training for certain aircraft.

FlightSafety plans to add 44 new jobs for the Wichita Area Facilities. Additional jobs will be divided between the Cessna and Learjet Training Facilities. In 1997, FlightSafety's pilot training program brought 11,514 pilots to Wichita, for an average two-week training program. This results in an estimated 75,000 hotel room nights.

An analysis of the sources and uses of project funds is:

## SOURCES OF FUNDS

*Industrial Revenue Bond Proceeds	\$32,500,000
*Airport Facility Revenue Bonds	<u>2,500,000</u>
Total Project Funding:	\$35,000,000

## USES OF FUNDS

Simulator #1	\$5,500,000
Simulator #2	5,500,000
Simulator #3	5,300,000
Simulator #4	6,000,000
Simulator #5	6,200,000
Related Equipment	<u>4,000,000</u>
Total Cost of Project:	\$35,000,000

The firm of Hinkle Elkouri, L.L.C. will serve as bond counsel in the transaction. The bonds will be will be privately placed with an institutional investor and not publicly reoffered. The bonds will be guaranteed by FlightSafety's parent firm, Berkshire Hathaway, Inc.

FlightSafety agrees to pay all costs of issuing the bonds and agrees to pay the City's \$2,500 annual IRB administrative fee for the term of the bonds.

Bond documents needed for the issuance of the bonds will be prepared by bond counsel. The City Attorney's Office will review and approve the form of bond documents prior to the issuance of any bonds.

Motion --  
-- carried

Knight moved that the Letter of Intent and property tax abatement be approved. Motion carried 6 to 0. (Martz absent).

## AIRPORT

### **LETTER OF INTENT FOR INDUSTRIAL REVENUE BONDS – CESSNA CITATION SERVICE CENTER PROJECT.** (District V)

(This Item is in conjunction with the Cessna Citation Service Center request on the New Business Agenda and is addressed there in Agenda Order)

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## EXECUTIVE SESSION

Motion --

Knight moved that the City Council recess and move to executive session at Friends University at 12:00 p.m. to consider consultation with legal counsel on matters privileged in the attorney-client relationship relating to pending litigation and legal advice; and the City Council return to a workshop at 1:00 p.m.

-- carried

Motion carried 6 to 0. (Martz absent)

## RECESS

The City Council recessed at 11:18 a.m. and returned from the workshop at 3:00 p.m.

Mayor Knight

Mayor Knight announced that no action was necessary as a result of the executive session.

Motion --

Knight moved that two items be brought up off the Agenda. Motion carried 6 to 0. (Martz absent)

## EVENT CENTER

### **PUBLIC INFORMATION BUDGET FOR PROPOSED DOWNTOWN EVENT CENTER.**

Motion --

Knight moved that \$100,000 from the 2001 budget for public information for the Downtown Event Center be encumbered.

Mayor Knight said the private sector has contributed \$285,000, and is requesting \$100,000 contributions from both the City and County.

-- carried

Motion carried 4 to 2. Gale, Lambke – No.

## ART MUSEUM EXP.

### **ART MUSEUM EXPENSES.**

Motion --

-- failed

Knight moved that \$200,000 be encumbered in 2001 funds to assist the Art Museum with operating expenses. Motion failed 3 to 3. Brewer, Gale, Lambke – No.

## RECESS

The City Council recessed at 3:05 p.m. and reconvened at 7:00 p.m.

Wichita, Kansas, December 18, 2001

Tuesday, 7:00 p.m.

The City Council recessed at 3:05 p.m. and reconvened at 7:00 p.m. at the Sedgwick County Extension Center, 7001 West 21st Street North.

Vice Mayor Pisciotte and Council Members Brewer, Fearey, Gale, Lambke, present. Council Member Martz absent.

Chris Cherches, City Manager; Gary Rebenstorf, Director of Law; Pat Burnett, City Clerk; present.

## A01-15

### **A01-15 – PUBLIC HEARING – ANNEXATION OF ELIGIBLE PROPERTIES GENERALLY LOCATED NORTH OF 21ST STREET NORTH, AND EAST AND WEST OF HOOVER.**

(District V)

Dave Barber

Planning Department reviewed the Item.

Agenda Report No. 01-1437.

On October 16, 2001, the City Council adopted a resolution that established December 18, 2001, at 7:00 p.m. at the Sedgwick County Extension Center, 7001 West 21st Street North, Wichita, Kansas as the date, time and place for a public hearing for this annexation. The properties proposed for annexation are located north of 21st Street North and east and west of Hoover.

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This is the fifth phase of a six-phase annexation initiative that began in the spring of 2000. The first phase, which brought 611 acres and 47 properties into the City, was approved on July 18th, 2000. The second phase was approved on November 21st, 2000, and brought 92 acres and 42 properties into the City. The third phase was approved on April 17, 2001, bringing 56 acres and 36 properties into the City of Wichita. The fourth phase was approved on August 14, 2001, bringing 21 acres and 29 properties into the City of Wichita.

The subject area for this fifth phase consists of approximately 26 acres and 13 properties (all are unplatted). The land-use pattern for this phase of annexation consists of 13 residential tracts that are primarily residential uses. The subject property is zoned "SF-20" Single-Family Residential. These areas will convert to the "SF-5" Single-Family Residential district upon annexation ("SF-10" if requested by property owner and approved by the governing body), while other properties will retain their existing zoning.

The majority of the land proposed for annexation is located within the area identified as "low-density residential", with some "commercial" and "industrial" areas intermixed, according to the 1999 Update to the Wichita-Sedgwick County Comprehensive Plan: Preparing for Change Land Use Guide Map. Additionally, the proposed annexation area is located within the "2010 Urban Service Area" boundaries found in the Comprehensive Plan amendments. The land use pattern within the annexation area is generally consistent with its land use designation in the updated Plan.

An informational meeting regarding the proposed annexation was held on November 27, 2001 at the Sedgwick County Extension Center, 7001 W. 21st Street N. One (1) property owner attended the meeting and asked numerous questions regarding the proposed annexation.

In accordance with Kansas statutes, a Service Extension Plan was prepared for this unilateral annexation.. The Plan describes the means by which City services will be extended to the area. Map No. 2D in the Plan shows the properties proposed for annexation. The analysis of the proposed annexation is contained in the plan.

The total appraised value of the land and improvements proposed for annexation is \$624,190 resulting in an annual City Ad Valorem tax revenue of approximately \$2,258.

Major municipal services to be provided to this area upon annexation are street maintenance, ditch cleaning, culvert cleaning, fire protection, police protection, building code enforcement, and health code enforcement. The operating departments currently delivering these services will fund them upon annexation. Major municipal services, such as local street improvements, water and sewer service, may be provided to this area upon request of the property owners. The cost of municipal services requested by the property owners will be distributed among the City at large and the benefiting property owners according to current City policies.

The Service Extension Plan has been on file for public inspection in the Office of the City Clerk. Copies of the resolution establishing the public hearing, a map (showing the properties included) and a notice of the public hearing, were sent by certified mail to all property owners of record in the proposed annexation area and to other established governmental entities and utility services. Copies of the resolution and map have also been published in the official City newspaper as further notification of the scheduled public hearing.

The Metropolitan Area Planning Commission reviewed the proposed annexation for compatibility with the Comprehensive Plan on November 8, 2001. The staff report presented at the MAPC meeting indicated that the proposed annexation was in conformance with the Comprehensive Plan. The MAPC found the proposed annexation in conformance with the Comprehensive Plan by a vote of eleven to zero (11-0).

In conducting the public hearing, Kansas statutes require that the City's plan for extending major municipal services be presented and that all persons interested in the annexation be heard. After hearing all comments of the persons interested, the City Council has the option of continuing or closing the public hearing, and approving or rejecting the annexation proposal.

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Motion --  
-- carried

Pisciotte moved that the public hearing be closed; the annexation be approved; and the Ordinance be placed on first reading. Motion carried 6 to 0. (Martz absent)

## ORDINANCE

An Ordinance including and incorporating certain blocks, parcels, pieces, and tracts of land within the limits and boundaries of the City of Wichita, Kansas, and relating thereto, introduced and under the rules laid over. A01 15

ADJOURNMENT

The City Council meeting adjourned at 7:08 p.m.

Pat Burnett CMC  
City Clerk